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Human resources management

Human resources management reform

Report of the Secretary-General**

Summary

The present report is submitted pursuant to General Assembly resolutions 57/305 of 15 April 2003, on human resources management, and 57/300 of 20 December 2002, entitled "Strengthening of the United Nations: an agenda for further change".

Since the Secretary-General's previous report to the General Assembly on human resources management reform (A/57/293), considerable progress has been achieved in consolidating and expanding the human resources management reform programme, taking into account the resolutions and decisions of the Assembly.

The Assembly is invited to take note of the achievements and results to date and planned future activities. Decisions are sought on two issues: expediting the staff selection process and increasing opportunities for promotion from the General Service to Professional category. In addition, proposals on contractual arrangements and improvement of gender representation will be submitted for the Assembly's decision in addenda to the present report.

* A/59/150.

** A four-day delay in the submission of the report was due to the need for late consultations and adjustments within the Secretariat.



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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 57/305 of 15 April 2003, by which the Secretary-General was requested to report to the General Assembly at its fifty-ninth session in a comprehensive manner on the achievements of the human resources management reform, when sufficient information will be available on the experiences of the Secretariat with the implementation of the reform initiatives as implemented within the prerogative of the Secretary-General or as approved by the Assembly, and to paragraph 39 of Assembly resolution 57/300 of 20 December 2002, concerning the promotion of General Service staff to Professional posts.

2. The report provides an overview of actions taken pursuant to the reports of the Secretary-General entitled "Renewing the United Nations: a programme for reform" (A/51/950) and "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1), and describes some of the challenges faced in that process.

3. To facilitate continuity in the discussion of progress made in the various areas, the report is presented in the same format as in previous reports on human resources management reform (A/57/293, A/55/253 and Corr.1 and A/53/414), indicating the goals, achievements and future activities under each of the 10 building blocks for reform of human resources management.

4. In addition, the report contains a section which responds to additional specific requests contained in Assembly resolution 57/305, and to paragraph 39 of its resolution 57/300.

5. The present report should be read together with the following reports, also submitted to the Assembly at its fifty-ninth session pursuant to resolution 57/305:

(a) Report of the Secretary-General on improvement of equitable geographical representation in the United Nations Secretariat (A/59/264), submitted pursuant to section II, paragraph 29;

(b) Report of the Secretary-General on improvement of the status of women in the United Nations system (A/59/353), submitted pursuant to section II, paragraph 41. Proposals to improve gender representation will be submitted in an addendum to this report;

(c) Report of the Secretary-General on measures to prevent discrimination on the basis of nationality, race, gender, religion or language in the United Nations (A/59/291), submitted pursuant to section II, paragraph 11.

6. In addition, the Assembly has before it the reports of the Secretary-General on amendments to the staff rules (A/59/213), the composition of the Secretariat (A/59/299), consultants and individual contractors (A/59/217) and the employment of retired former staff (A/59/222). The report on gratis personnel for 2003 and 2004 will be presented to the Assembly at its resumed fifty-ninth session.

II. Background and overview

7. In his 1997 report, entitled "Renewing the United Nations: a programme for reform" (A/51/950), the Secretary-General states that the purpose of reform is to maximize the institutional effectiveness of the United Nations, thereby enabling it to

do what it is asked to do better and, consequently, to advocate and undertake with credibility its larger mission as an agency of progressive change for the nations and people of the world. To fulfil its mission, and to transform itself in order to meet the challenges of the next century, the Organization depends on the quality and competence of its staff.

8. In 1998, the Secretary-General convened a task force on human resources management, comprising experts from the public and private sectors throughout the world, to advise him on specific measures and actions for renewal and change. The subsequent report of the Secretary-General to the General Assembly (A/53/414) drew extensively on the recommendations of the task force, setting out a vision of organizational change and a programme of action. It recognized the need for a paradigm shift to a new culture of empowerment, responsibility, accountability and continuous learning, as well as the importance of strategic change in underlying attitudes and behaviour with regard to human resources management, in order to ensure successful implementation of the reform measures. Subsequent reports to the Assembly, at its fifty-fifth and fifty-seventh sessions, further elaborated the Secretary-General's human resources management programme.

9. In his 2002 report entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1), the Secretary-General reiterated his commitment to fostering excellence in the workforce so that staff might do their best for the Organization and the United Nations, in turn, might offer its staff careers that are enriching and rewarding. The aspirations of the United Nations Millennium Declaration can only be achieved if the United Nations has a world-class staff equal to the challenges of the new global era.

10. The comprehensive human resources management reform programme which has been pursued over the past six years is intended to build the Organization's human resources capacity and strengthen its ability to attract, develop and retain staff of the highest calibre. It aims to create a more productive, flexible and results-oriented Organization that is better able to meet the challenges set out in the Millennium Declaration within a culture of continuous learning, high performance and managerial excellence.

11. The human resources management reform programme has benefited from the guidance of Member States through the General Assembly, extensive consultations and communication with staff and managers throughout the Organization, and the use of information technology. Significant progress has been made in bringing about the changes envisioned in the integrated reform programme based on 10 key building blocks: human resources planning; streamlined rules and procedures; recruitment, placement and promotion; mobility; competencies and continuous learning; performance management; career development; conditions of service; contractual arrangements; and administration of justice. The past two years have been a period of consolidation, institutionalization, improvement and expansion of the elements of the building blocks. During that period, follow-up activities were also carried out on those actions set forth in the Secretary-General's report on an agenda for further change that fall within the human resources management reform programme. They include action 25 (a), on conditions of service in the field; action 27, on expanding opportunities for General Service staff and action 33, on HIV/AIDS.

12. Major achievements to date include the following:

(a) **A system of human resources planning that provides the Organization with workforce profiles and trends at the Secretariat and departmental levels.** Departmental human resources planning exercises introduced in 1999 institutionalized regular discussions between the Office of Human Resources Management and heads of department and their managers on major elements of human resources management, thus fostering recognition that managing people is a key managerial function. Biennial targets for key human resources management areas, such as vacancy management, geographical representation, gender and performance management, are established during the discussion. The planning exercise is currently in its third cycle. Human resources management, together with programme and financial management, is included in the annual programme management plans that heads of department establish with the Secretary-General, thus reinforcing the responsibility and accountability of senior managers for the authority delegated to them.

(b) **Streamlining of policies and rules (begun in 1997) and the electronic *Human Resources Handbook* (launched in 2001).** All redundant administrative issuances were identified and then consolidated or eliminated, and the remaining documentation was streamlined. The online availability of the *Handbook* helps to improve access to rules and procedures for both staff and managers and facilitates their understanding of them. Guidelines and task tools in the *Handbook* promote consistency in and uniformity of application of the rules and procedures. The *Handbook* is updated on a regular basis, about 10 times a year. The popularity of its web site indicates that the *Handbook* has truly become a working tool.

(c) **New staff selection system.** The new system came into force in 2002, integrating recruitment, placement, managed mobility and promotion, and placing the responsibility for selection decisions in the hands of heads of department who are responsible for programme delivery. Together with its supporting electronic tool, Galaxy e-staffing, the system has speeded up the selection process, while at the same time improving the efficiency and transparency of the process. Experience with the implementation of the system reveals its strengths, as well as areas requiring attention. Taking into account the experience and feedback received, efforts are under way to improve further both the policy and operational aspects of the staff selection system, including Galaxy.

(d) **Policy on organizational mobility.** This will help develop a more versatile, multiskilled and experienced international civil service, and is an integral part of the new staff selection system. As of 2002 there are occupancy time limits on all posts. Preparation for the implementation of managed mobility is under way, drawing upon experience gained from ongoing voluntary and managed reassignment programmes.

(e) **Definition and strengthening of organizational core values and core and managerial competencies.** The development of a competency model began in 1999 in order to promote shared values and common standards throughout the Secretariat. Core values and competencies have been progressively integrated into all human resources systems, such as generic job profiles, recruitment and selection, staff development and performance management.

(f) **Promotion of continuous learning and strengthening of core organizational competencies.** The Organization's training and learning policy has been communicated to all staff. Programmes to upgrade substantive skills and build

managerial capacity have been intensified. Increasing emphasis is being placed on improving performance, not only at the individual level but also at the team, work unit and departmental levels. As called for in action 27 of the report of the Secretary-General (A/57/387 and Corr.1), a plan for enhancing opportunities for the General Service staff has been developed through a consultative process with staff and managers throughout the Secretariat. The plan calls for, among other things, improvements to the system for the recruitment and career planning of General Service staff, and opportunities and incentives for mobility across functions and departments, including field missions;

(g) **Enhanced performance appraisal system.** The performance appraisal system (PAS) has been modified twice since its introduction in 1996, in the light of experience and feedback. All departments of the Secretariat and most peacekeeping missions now use the electronic PAS (e-PAS), and compliance with the system reached more than 80 per cent in 2003. Currently, over 21,000 staff are using the system. PAS links individual work plans with those of work units and departments, and promotes feedback and communication between staff and supervisors;

(h) **Human resources monitoring.** This has been strengthened following endorsement by the Assembly, in resolution 57/305, of the Secretary-General's plan for a comprehensive monitoring system. The aim of human resources monitoring activities is to ensure that established standards, norms and specifications are respected; delegated authority is exercised in an appropriate manner; regulations, rules, policies and procedures are adhered to; performance targets are met; support and guidance is given where required; and best practices are vetted, developed and promoted. On-site monitoring visits began in 2003. Eighteen monitoring visits have been conducted to peacekeeping and political missions, and to offices away from Headquarters. On-site monitoring of departments and offices in New York began earlier in 2004;

(i) **Greater attention to work and life issues.** Arrangements to help staff better balance their professional and personal lives, such as flexible working hours, have been introduced in most departments and offices. The outcome has been positive, including a boost in staff morale and work motivation.

13. Developing and implementing the reform initiatives have presented considerable challenges and, like any large-scale change process, must be regarded as a work in progress. A key area remaining to be addressed is that of contractual arrangements. As requested by the General Assembly, the Secretary-General's proposals on contractual arrangements are presented in an addendum to the present report, for the Assembly's consideration and decision. The overall objective is to adapt contractual arrangements so that they better serve the operational needs of the Organization, and to introduce greater equity among staff. Another area needing attention is the continued disparity in conditions of service among Secretariat staff and those of other United Nations organizations serving in the field. An additional concern is the limited career prospects for General Service staff, who make up more than one half of the Organization's human assets and who make invaluable contributions to its effectiveness.

14. While the achievements highlighted above are important in their own right, equally important are the changes brought about by the process of implementing reform initiatives. Change is an upward spiral of continuous improvement, involving many players and challenges. Those involved go through a natural cycle

of periods of apprehension, learning and adjustment. United Nations staff and managers are at different stages of this cycle with respect to the various reform initiatives. Critical at each stage, however, is support from senior management and from the Office of Human Resources Management, both to groups and individuals, and the willingness and ability to evaluate and modify initiatives as implementation progresses, to the extent possible, in the light of experience and feedback from staff, managers and Member States.

15. Human resources management reform necessitates a paradigm shift in underlying principles, attitudes and work methods. Reform initiatives are sometimes difficult to reconcile with the priorities of all parties involved: staff, managers and Member States. For example, the essential tasks of rejuvenating the Secretariat and improving geographical representation and gender balance require the recruitment of significant numbers of external candidates at all levels. At the same time, staff regulation 4.4 requires that, in filling vacancies, the fullest regard be given to persons already in the service of the Organization; the Organization must also respond to the career development aspirations of existing staff.

16. Human resources management reform is also affected by a number of operational challenges. One is the lack of dedicated resources for reform, despite the expanded functions of the Office of Human Resources Management in this regard. Another is the difficulty of consulting staff representatives at a time when the consultative machinery is not fully operational. In New York, consultations with the Staff Union were suspended for several months in 2003 pending the conduct of elections. At the global level, owing to a number of difficulties that staff and management are currently working to resolve, the Staff-Management Coordinating Committee did not meet in 2003 and may not be in a position to meet in 2004.

17. Recent world developments have had an impact on the staff of the Secretariat, at times profound. The bombing of the United Nations office in Baghdad in August 2003 touched the core of the Organization's psyche, obliging it to re-examine how it manages the safety and welfare of its staff, and to take unprecedented actions to strengthen its efforts in this regard. The Office of Human Resources Management played a key and continuing role in the aftermath of the attack, including providing medical, counselling, administrative and other support to affected staff and their families.

18. Much is being asked of Secretariat staff: from changes in policies to changes in their roles and in work methods. Slowly but perceptibly, managers are coming to view managing staff as a key function. The majority of managers have participated in managerial training, which is now mandatory, and organizational development efforts are under way in most departments. Work units seek assistance to improve group performance; many volunteer for pilot projects. Hundreds of senior staff have volunteered to act as mentors to junior colleagues, while many others at all levels have been trained to provide support to staff at times of personal crisis and in emergencies. These activities are evidence of changing attitudes towards human resources functions. While human resources management has generally been perceived as an administrative servicing function, the understanding of it has expanded to encompass developmental and strategic partnerships. The human resources management function is increasingly becoming accepted as a shared responsibility of all. The interest of senior management in human resources management reform has been demonstrated by the discussions of the issues during

2003 and 2004 at meetings of the Senior Management Group, chaired by the Secretary-General, and the Steering Committee on Management and Reform, chaired by the Deputy Secretary-General.

19. Strategic partnerships between the Office of Human Resources Management and work units in the Secretariat help them to respond to changing environments and circumstances. For example, assistance is being provided to the Department of Peacekeeping Operations in the development of a comprehensive human resources strategy for the management of staff in the field. Departments are requesting and receiving customized programmes to support organizational development. The changing status of various entities requires special attention from the Office: for example, the termination of the operations of the Office of the Iraq Programme; the setting up in 2003 of a regional information hub in Brussels, replacing eight information centres in Europe; the progressive decrease in the volume of activity of the United Nations Compensation Commission; and preparations for the completion of the work of the international tribunals for the Former Yugoslavia and Rwanda. The Office plays a key role in the development of strategies and guidelines with the respective offices and their staff, protecting the interests of the Organization while meeting its obligations as a good employer.

20. In the reform process, the role of the Office of Human Resources Management as the central authority in matters relating to human resources has become multifaceted. It is a functional expert, developing and maintaining the human resources management infrastructure through policy and system development, providing advice, monitoring, and administrative servicing. It builds capacity to help managers to manage and staff to function to the best of their ability. It is a staff advocate in matters relating to conditions of service and security, including in such areas as work and life issues, staff development and career opportunities. It is a change agent, introducing and sharing new ideas and good practice in human resources management, in consultation with the organizations of the system, and complementing other initiatives in the Secretariat to institute a culture of high performance and continuous learning.

III. Next steps

21. The Organization's human resources management programme will continue to focus on ensuring that its human resources management policies and practices are fully in line with operational needs and worldwide standards of good practice. While the consolidation and institutionalization of changes introduced to date will continue, the forthcoming few years will see special emphasis given to the implementation of the managed mobility policy; the strengthening of the staff selection system and performance management; further enhancement of management capacity; increased monitoring, particularly of delegated authority; improving the client orientation of the Office of Human Resources Management and its communication with staff; and the improvement of the existing electronic tools of the Office and the introduction of new ones. There will be continuing close cooperation with other organizations of the common system and the International Civil Service Commission (ICSC) in developing and enhancing a competitive package of conditions of service which the General Assembly has indicated is a prerequisite for a successful human resources management reform programme. In undertaking these activities, the Secretary-General will be mindful of the request of

the Assembly that he should continue to improve accountability and responsibility in the reform of human resources management.

A. Human resources planning

1. Goals

22. To establish a medium-term and long-term integrated human resources planning capacity and system that specifies the Organization's and other objectives at the level of individual departments and offices.

2. Achievements to date

23. Workforce planning, which began in 1997, has focused primarily on the analysis of long-term trends in a selected number of main demographic characteristics of Secretariat staff, and has since been presented annually to the General Assembly in the report of the Secretary-General on the composition of the Secretariat. In 1999, the Office of Human Resources Management introduced a departmental human resources planning system which is based on a biennial planning exercise conducted by the Office with heads of department and their managers.

24. The planning function will be expanded further in the near future in order to provide greater attention to the supporting programmes being put in place in preparation for the mandatory managed reassignment exercises beginning in May 2007 (for further information, see section D below). Related activities include the establishment of occupational networks and voluntary managed reassignment exercises, which require, among other things, reliable data for forecasting and succession planning.

(a) Departmental planning: overview of status

25. The human resources planning exercise starts with meetings at the beginning of the two-year planning period to discuss the current situation and review the past performance of departments in eight key human resources management areas: vacancy management; geographical representation; gender; revitalization of the Organization; staff mobility; staff development; performance appraisal; and staff-management relationships. Based on the review, departmental human resources action plans containing measurable targets are developed for the subsequent two-year period, and are jointly signed by the heads of department and the Assistant Secretary-General for Human Resources Management. Monitoring is conducted through semi-annual and end-of-cycle reviews and in the course of the ongoing assistance and guidance provided during the period. Some human resources management areas of the action plans are included in the annual programme management plans of the heads of department with the Secretary-General.¹

26. Two planning cycles have been completed, covering the periods 1999-2000 and 2001-2002; the third planning cycle began in 2003, with 26 departments and offices participating, and ends in December 2004. During the second cycle, additional indicators were introduced and monitoring tools created. Human resources targets in the action plans have been progressively refined to align better departmental operational targets with Organization-wide human resources goals. At

the end of the second planning cycle (2001-2002), a trend analysis and a performance scorecard were presented to the respective heads of department.

27. Twenty-eight targets were set in the second and third planning cycles. Success in meeting them has been mixed. At the end of the second cycle (December 2002), the performance of departments and offices indicated that 1 had reached 90 per cent of the targets, 4 between 80 and 90 per cent, 11 between 70 and 80 per cent, 6 between 60 and 70 per cent, 3 between 50 and 60 per cent and 1 less than 50 per cent. However, most departments demonstrated a positive trend towards achieving their targets. Results for 2003 are promising, except in the vacancy rate targets for extrabudgetary posts where trends seem to be negative.

(b) Status by management area

28. In vacancy management, the target was to attain and/or maintain a vacancy rate for all posts as close to zero as possible and not above 5 per cent for regular budgetary posts. At the end of the second cycle (2001-2002), 17 departments and offices (65 per cent) achieved the target for all posts and 8 departments (31 per cent) reached the target for posts in the Professional category and above. A positive trend of reducing vacancy rates for all posts and for posts in the Professional and higher categories was registered in 20 departments (77 per cent). The vacancy rate at the end of 2003 for all posts decreased to 6.7 per cent, from 8 per cent as at the end of 2002. Similarly, the rate for posts at the Professional and higher levels also registered a decrease, from 11.1 per cent at the end of 2002 to 9.3 per cent at the end of 2003.

29. The target for extrabudgetary resources was to attain or maintain a vacancy rate for all posts as close to zero as possible and not above 6.5 per cent. At the end of the second cycle (2001-2002), 11 of 20 departments (55 per cent) with extrabudgetary posts² reached this target for all posts as well as for Professional posts and above. Furthermore, a positive trend for all posts was registered in 14 departments (70 per cent) and in 16 (80 per cent) for posts in the Professional and higher categories. The vacancy rate at the end of 2003 for all extrabudgetary posts increased to 23.8 per cent, from 18.9 per cent as at the end of 2002. The vacancy rate for posts at the Professional and higher levels increased as well, from 22.2 per cent at the end of 2002 to 26.7 per cent at the end of 2003.

30. Two targets were used for female staff representation: to maintain gender balance or increase representation towards the achievement of gender balance, and to choose female candidates in at least 50 per cent of selection decisions, taking into account the requirements of Article 101.3 of the Charter of the United Nations.

31. Gender representation has improved in 16 departments (62 per cent) during the second cycle for staff in the Professional and higher categories, with five departments and offices (19 per cent) attaining gender balance. This situation remained unchanged at the end of 2003. In the Director and higher categories, the situation has improved in 12 departments (46 per cent), with 3 having reached gender balance at the end of the second cycle. The situation remained unchanged during 2003. Twenty departments met the target of choosing female candidates in at least 50 per cent of all selections (all staff, all budgetary sources).

32. In filling vacant posts subject to geographical distribution, the target was for each department to recruit at least one candidate from unrepresented or

underrepresented Member States, taking into account Article 101.3 of the Charter. During the second cycle (2001-2002), 20 departments recruited at least one candidate from underrepresented Member States. In addition, two candidates were recruited from unrepresented Member States.³ During the first year of the third cycle (2003), 16 departments recruited at least one candidate from underrepresented Member States and 2 departments recruited two national competitive recruitment examination candidates from unrepresented Member States.⁴

33. On mobility, the target for the second cycle (2001-2002) was to maintain departmental mobility indexes⁵ above the Secretariat average of 10.6 per cent in 2000 (promotion index of 7.5 per cent and transfer index of 3.1 per cent). At the end of the second cycle, 16 departments (62 per cent) reached the mobility index target of 10.6 per cent. The overall mobility index for the Secretariat as a whole, however, declined to 8.9 per cent at the end of the second cycle (2001-2002). It rose in 2003 to 9.3 per cent.

34. Three indicators are used to assess the progress made in revitalizing the Organization: average age of staff, average age at recruitment and number of staff with a grade seniority of 10 years or more. During the second cycle, the average age and average age at recruitment were better than that targeted for the period. However, the percentage of staff holding a grade seniority of 10 years or more increased from 21.8 per cent to 28.8 per cent, varying between 5 per cent and 36 per cent between departments. At the end of 2003, the ratio decreased to 21.1 per cent.

35. For performance management, e-PAS was implemented on a progressive basis throughout the Secretariat in the 2002/03 PAS cycle and all departments and offices adopted the system in the 2003/04 cycle. Management review committees, joint monitoring committees and rebuttal panels are operational in almost all departments and offices. PAS compliance Secretariat-wide increased from 68 per cent in the 1999/00 PAS cycle to over 80 per cent in the 2002/03 cycle.

36. In staff development, indicators include the number of participations in development activities and the usage of decentralized departmental training funds. The number of participations in staff development activities increased from 20,338 in 2000 to 22,287 in 2001 and to 22,839 in 2002. The usage of departmental training allocations increased from 90.5 per cent at the end of 2001 to 95.3 per cent at the end of 2003. Eighteen departments used all of their training allocations.

37. In staff-management relations, the target was for departmental managers to meet with all staff and staff representatives at least once every quarter. During the second cycle, 17 departments conducted quarterly meetings with staff representatives and 18 met quarterly with all their staff.

38. Table 1 below provides an overview of departmental performance in meeting targets in selected management areas. The performance is as at the end of the 2001-2002 planning cycle compared to the beginning of the cycle.

Table 1
Performance in selected targets: achievements during the 2001-2002 planning cycle

<i>Targets</i>	<i>Number of departments meeting targets</i>	<i>Number of departments not meeting targets</i>
Vacancies (target: 5 per cent or less)		
Regular budget (all posts)	17	9
Regular budget (Professional and above)	9	17
Gender (target: parity at all levels)		
All staff (General Service, Professional and above)	18	8
Professional and above	15	11
Director and above	8	18
Selection (target: 50 per cent of all selections — recruitment, promotion and lateral transfer)	23	3
Geography		
Recruitment from under and unrepresented Member States (target: at least one recruitment during the planning period)	14	12
Recruitment from overrepresented Member States (target: no recruitment during the planning period)	9	17
Mobility		
Promotion (target: promotion of at least 7.5 per cent of staff in all categories)	18	8
Transfer (target: lateral transfer of at least 3.1 per cent of staff in all categories between departments)	13	13
Overall mobility (target: promotion and lateral transfer of at least 10.6 per cent of staff in all categories)	17	9

3. Future activities

39. Future activities in human resources planning will focus on the following:

(a) Strengthening of workforce planning capacity (analysis of long-term trends of demographic workforce characteristics, succession planning, human resources forecasting and modelling, that is, strategic simulations for decision-making);

(b) Creation of a database to support the development of occupational networks;

(c) Finalization of a web-based electronic system for the online preparation, monitoring (e-monitoring and self-monitoring) and reporting of human resources action plans, including human resources planning concepts, tools, procedures and processes in an online guide;

(d) Introduction for the fourth planning cycle (2005-2006) of new human resources management areas and indicators, such as workforce turnover, diversity and absenteeism. The human resources action plan will comprise two sections: a core section containing human resources management areas common to all departments and a section customized to meet the specific areas of concern for each department;

(e) Improving capacity for human resources planning by identifying planning focal points among human resources practitioners in the Secretariat and providing them with basic training in human resources planning;

(f) In cooperation with the Department of Peacekeeping Operations, introduction of simplified human resources action plans for some peacekeeping missions, which respond to their particular needs and priorities, and creation of a database to provide information on staff for standby rapid deployment and longer-term mission service.

B. Streamlined rules and procedures

1. Goals

40. To eliminate obsolete and redundant rules and procedures; to streamline documentation relating to current rules; to allow easier access through electronic means; and to provide the means for consistent and uniform application.

2. Achievements to date

41. Between 1997 and 2001, a review was conducted of all administrative documents contained in the personnel manual. The review identified all redundant Secretary-General's bulletins, administrative instructions, information circulars and personnel directives, which were then either consolidated or eliminated, and the remaining documentation streamlined. In 2001, an electronic *Human Resources Handbook*, accessible on the Intranet and Internet, was developed and launched, providing all Secretariat staff with access to all up-to-date administrative rules and procedures, including all administrative issuances and circulars. The electronic *Human Resources Handbook* continues to be updated on a regular basis, taking into account changes to the Staff Regulations and Rules of the United Nations and new administrative issuances and information circulars. Nine such updates were completed in 2002, 10 in 2003 and 6 between January and June 2004.

42. The Intranet reference collection (new Secretary-General's bulletins, administrative instructions and information circulars) and the web site containing the online database of official United Nations forms (e.g., for procurement, accounts, personnel, travel etc.) were continually updated during the past biennium.

43. Between 2002 and 2004, a number of guidelines on the application of rules and procedures were developed and posted on the electronic *Handbook* to facilitate understanding of new and/or complex issues and uniformity of interpretation throughout the Secretariat. For example, guidelines have been issued on various aspects of the staff selection system, various aspects of separation from service and the administration of entitlements.

3. Future activities

44. The streamlining of human resources rules and procedures will continue through:

(a) Regular and frequent updates of the contents of the electronic *Human Resources Handbook* and the Intranet reference collection;

(b) Further development and posting of tools for human resources practitioners;

(c) Work on the simplification and streamlining of the substantive aspects of the Staff Regulations and Rules, based on work being done at the common system level in respect of common system entitlements.

C. Recruitment, placement and promotion

1. Goals

45. To develop a more versatile, multiskilled, mobile and experienced international civil service, taking into consideration the predicted needs of the Organization; to select staff on the basis of merit, demonstrated competencies and performance; to ensure that selection decisions are made by managers on the basis of objective, job-related criteria; to provide more career opportunities for staff; and to introduce a more transparent, speedier process for filling vacancies.

2. Achievements to date

46. The new staff selection system, applicable to positions at the G-5 to G-7 and P-3 to D-2 levels, was introduced on 1 May 2002 in order to integrate recruitment, placement, managed mobility and promotion and thus enable the Organization to meet better its current and future staffing needs. The system's implementation brought with it multiple changes in staffing policy and managerial accountability for staff selection decisions, and the behavioural challenges inherent in any large-scale organizational reform process. The staff selection system establishes the accountability of heads of department and office to the Secretary-General, both for the selection of staff based on merit and competencies, and for the manner in which the selection process is conducted in their organizational entities. Two years of implementation and feedback from users of the system have revealed its strengths and also highlighted certain areas that need further adjustments. Efforts are under way to address policy and operational issues, including enhancements to its support tool, Galaxy electronic (e-staffing).

47. Administrative issuances and procedural guidelines governing the system have been established, including the designation of the respective responsibilities of heads of department and office, programme managers, staff members, the Office of Human Resources Management, executive offices and local personnel offices, and members of central review bodies. Gaining buy-in and commitment from all stakeholders on their responsibilities has posed considerable challenges. The introduction of the system was preceded by a concerted learning and communication programme targeted to programme managers, human resources practitioners, members of central review bodies and staff at large. The Office of Human Resources Management continues to provide assistance and support, including through its Help Desk, ongoing advice and guidance, especially in policy interpretation and the use of Galaxy, and refresher training where required.

(a) Central review bodies

48. For the purposes of implementing the provisions of staff rule 104.14, the appointment and promotion bodies were abolished and replaced by the central

review bodies. The Secretary-General's bulletin on central review bodies (ST/SGR/2002/6) provides for the establishment of the following: central review boards in New York, Geneva, Vienna and Nairobi; and central review committees and central review panels in New York, Geneva, Vienna, Nairobi, Addis Ababa, Bangkok, Beirut and Santiago. The boards advise on the appointment and promotion of staff to the P-5 and D-1 levels in the Secretariat. The committees advise on the appointment and promotion of staff in the Professional category up to the P-4 level, while the panels advise on the appointment and promotion of staff in the General Service and related categories to posts at the G-5, TC-4 and S-3 levels and above.

49. The central review bodies are a mechanism for monitoring and accountability, built into the heart of the staff selection process. They consider criteria proposed by the department or office for the evaluation of candidates to ensure that they are objective, relate to the functions of the post and reflect the relevant competencies. Pre-approval of the evaluation criteria by a central review body is required before the evaluation of the candidates may begin.

50. The central review bodies also review the proposal for filling a vacancy made by the department or office concerned to ensure that the candidates were evaluated on the basis of the pre-approved evaluation criteria and that the applicable procedures were followed. In so doing, the central review bodies consider whether:

(a) The proposal made by the department or office is reasoned and objectively justifiable based on the pre-approved evaluation criteria, and is accompanied by a certification that, in making the proposal, the head of the department or office has taken into account the Organization's human resources planning objectives, especially with regard to geography and gender balance;

(b) The record indicates the existence of a mistake of fact, a mistake of law or procedure, prejudice or improper motive that could have prevented a full and fair consideration of the requisite qualifications and experience of the candidates.

51. When the central review body has found that the evaluation criteria were properly applied and that the applicable procedures were followed, it informs the head of the department or office concerned and recommends that he or she approve the proposed candidate(s) for selection or placement on a roster. In making staff selection decisions, heads of department and office are required to certify that they have taken into account the Organization's human resources objectives and targets, as reflected in the departmental action plans.

52. When the central review body has questions or doubts regarding the proper application of the evaluation criteria and/or the applicable procedures, it requests the necessary information from the head of the department or office, the programme manager or the ex-officio member representing the Office of Human Resources Management or the local personnel office, as appropriate. If the questions are answered and the doubts are resolved to the satisfaction of the central review body, that body proceeds as indicated above. When, after obtaining additional information, the central review body finds that the evaluation criteria were improperly applied and/or that the applicable procedures were not followed, it transmits its findings and recommendation to the official that has the authority to make the decision on behalf of the Secretary-General, that is, the Under-Secretary-General for Management for posts at the P-5 and D-1 levels and the Assistant Secretary-General for Human Resources Management for all other posts.

(b) Impact on geography and gender

53. A number of initiatives have been undertaken in the staff selection system to draw attention to geographical representation and gender parity issues. These initiatives include the setting and monitoring of specific targets in human resources action plans; flagging applicants from unrepresented and underrepresented countries and gender of applicants in lists submitted to departments in Galaxy; and the convening of special information sessions for unrepresented and underrepresented Member States. While it is difficult to attribute improvements in geographical representation or gender parity to any one factor, the role played by heads of department is key to long-term gains in these areas.

54. During the first two years of implementation of the staff selection system (1 May 2002-30 April 2004), recruitment from underrepresented Member States made up 5 per cent of the recruitment against geographical posts. During that period, the percentage of selection decisions favouring women increased from 40 per cent to 42 per cent. The overall percentage of women in the Professional and higher categories rose by 2.4 per cent, from 35 per cent as at 30 June 2002 to 37.4 per cent as at 30 June 2004.

(c) Competency-based assessments and generic job profiles

55. To ensure the quality of the selected candidates, the new staff selection system mandates the practice of competency-based interviews. This enables managers to identify better the existence of the competencies, skills, attitudes and experience required for success in a particular job. Recognizing that more needed to be done to ensure a higher degree of consistency across all duty stations in the assessment of applicant competencies, the Office of Human Resources Management has provided training in competency based interviews and follow-up refresher courses for managers. Considerable effort has also been given to producing generic job profiles, which are standard job descriptions that encompass a large group of related jobs with similar duties and responsibilities, education, work experience and technical skill requirements, and essential core competencies. The experience gained so far indicates that the profiles are meeting their objective of simplifying the classification of jobs, and contributing to greater standardization, efficiency, speed and transparency in creating vacancy announcements and clarifying job expectations. The profiles are reviewed periodically to meet evolving job requirements.

(d) Roster of candidates

56. The staff selection system provides for the establishment of a roster of candidates who have been endorsed by a central review body for a particular vacancy but not selected for it, and who have indicated an interest in being considered for a future vacancy with similar functions at the same level. Currently, there are more than 1,400 such candidates. The roster is valid for one year, thus enabling further improvement in recruitment time lines, with the potential to facilitate career development and mobility. The roster management module in Galaxy e-staffing is being finalized for implementation late in 2004. Programme managers will be able to identify easily rostered candidates from unrepresented and underrepresented Member States through a special feature in the module.

(c) Support tool: Galaxy e-staffing

57. One of the goals of the staff selection system is to develop a speedier, more transparent system for filling vacancies. An important breakthrough in technological support was achieved with the introduction of the Galaxy e-staffing tool in 2002. For the first time in the Secretariat, Galaxy allowed the creation and advertising of vacancies electronically on a global basis; the submission, receipt and review of applications online; the tracking of the status of applications; recording of the selection process; and the generation of reports (e.g., on selection decisions, geography, gender and numbers of applicants). Based on lessons learned and experience gained, several enhancements are being implemented in 2004 and are scheduled for 2005.

58. Progress has been achieved in reducing the time needed to fill vacancies, with a current average of 174 days (from the day that a vacancy announcement began to be prepared to the day when a selection decision is made by the head of department). This figure, however, masks a wide variation in performance, for example, one department registered an average of 104 days, while another registered 328 days in one particular instance. An analysis of the average time taken at each major step of the selection process revealed that the preparation of vacancy announcements took 18 per cent of the time; the translation and placement of the vacancy announcement took 9 per cent; advertising accounted for 28 per cent; release of applicant data by human resources officers and the evaluation of these data by programme managers accounted for 35 per cent of the process; the selection process (recommendation by the head of department, review by the central review board and selection by the head of department) took 10 per cent. Taking into account the above analysis, efforts will be made to reduce the time taken by managers in evaluating applications and by human resources officers in determining the eligibility of applicants. In addition, since the vast majority of applications are received during the first 45 days of the posting of a vacancy, the General Assembly may wish to reconsider its decision in section IV, paragraph 3, of resolution 55/258 of 14 June 2001, whereby "the deadline for the submission of applications should be at least two months from the date of issue". Reducing the number of days for advertising to 45 days will reduce the time line for the filling of vacancies while not affecting adversely the opportunity for candidates to apply. The Secretary-General therefore recommends that the Assembly consider reducing the number of days for advertising to 45 days.

59. The Galaxy tool has enabled the Organization to reach a far wider pool of potential applicants than before: the number of applications received for vacancies in 2000 was below 100,000, but reached almost 400,000 in 2003, from 189 countries. A major challenge has been to find ways to handle efficiently the very large increase in the number of applicants. In this connection, a search facility has been introduced to screen large numbers of applications by age, gender, nationality and language. Searches can be conducted also for candidates with the appropriate profile for a particular post.

60. Its facility to highlight the geographical status and gender of applicants further assists heads of department in certifying that they have taken due consideration of geographical and gender targets. Its enhanced reporting capacity provides for the production of Secretariat-wide statistics which assists the Office of Human Resources Management in monitoring the staff selection process and for the

generation of statistical executive summaries on issues of interest to the Senior Management Group and the Steering Committee on Management and Reform.

61. The Office of Human Resources Management and the Department of Peacekeeping Operations have implemented enhancements to Galaxy which allow for the posting of field mission vacancies from July 2004. Further development to enable the management of vacancies in the 200 series of the staff rules in Galaxy is in progress. A number of United Nations organizations have requested to advertise vacancies periodically in Galaxy (e.g., World Food Programme, World Health Organization, Office of the United Nations High Commissioner for Refugees, and International Civil Service Commission), while others have expressed interest in the system. Preliminary work has been done to enable the Galaxy tool to be customized for other United Nations users.

62. Information about Galaxy is available in all six official languages on the official United Nations web site. Vacancy announcements are distributed in hard copy to the 18 permanent missions which have expressed an interest in continuing to receive announcements in paper format. An electronic bulletin board has been introduced to provide information on selection decisions on a monthly basis throughout the Secretariat.

(f) Selection policies of jointly funded organizations

63. In paragraph 14 of section II of its resolution 57/305, the General Assembly requested the Secretary-General to report to it at its fifty-ninth session "on the differences between the policies and procedures for staff recruitment, selection and appointment of the Secretariat and those of jointly funded organizations, such as the United Nations Joint Staff Pension Fund, ICSC and the Joint Inspection Unit, specifically addressing the mechanisms in those jointly funded organizations to ensure equal access to the opportunity to compete for positions, merit-based staffing and fairness and transparency in the selection process. The policies and procedures in place for the selection of staff for each of those organizations are set out in the annex to the present report.

(g) National competitive recruitment examination

64. The national competitive recruitment examination is an important means of recruiting highly qualified young people into the Organization and in reducing non-representation and underrepresentation. In paragraph 44 of section II of its resolution 57/305, the Assembly requested the Secretary-General to reduce significantly the time needed to complete a national competitive examination cycle, and every effort is being made to expedite the process. Through administrative streamlining, the time line (from convening the examination to the placement of successful candidates on the roster) has been reduced slightly, to less than one year for most examinations. For occupational groups for which there is a small number of candidates, the examination cycle has been significantly reduced: for example, the 2003 examination in science and technology was completed less than four months after the written examination. Work is also under way to develop further tools to receive and capture applicant data electronically so as to speed up the process.

65. The examination is, however, a complex operation with a number of phases and a very large number of applicants. The process begins with the annual selection

of occupational groups, based on the projected recruitment needs of the Organization for the ensuing two years, and the selection of participating Member States through consultation with them. This typically results in the identification of 7 to 10 occupational groups each year. Subsequent phases entail the preparation of examinations, the screening of applications, convocation of candidates, shipment of examination materials to centres throughout the world, holding of the examination simultaneously in some 45 centres around the world, marking of papers, conduct of interviews and placement of successful candidates on the roster. In recent years, there has been a sharp increase in the number of participating Member States and applications, without a commensurate increase in resources. For example, in 2003 and 2004 more than 13,000 applications were received. The number of candidates taking the examination per occupational group has almost quadrupled since 2000. As a result, the largest examination ever was held in 2004, with 2,854 candidates from 54 Member States sitting for it, as compared to an average of 1,639 candidates between 2000 and 2003. The marking of papers and interviewing of candidates is done by staff members who volunteer to serve on the examination boards and who often work in the evenings and weekends, in addition to their regular functions.

3. Future activities

66. Based on experience gained through the implementation of the staff selection system and the feedback from users and oversight bodies, the review of policies, processes and procedures of the system with a view to making further improvements will be completed and the necessary consultation process undertaken by early 2005. Benchmarks and indicators to measure success will be further refined and included in human resources action plans and in periodic monitoring reports, and assistance will be provided to departments in the development of human resources staffing strategies.

67. Training will continue to be provided to staff and managers in order to improve their understanding of the policies for the staff selection system, including targeted programmes for managers, members of central review bodies, human resources personnel and staff at large.

68. To address the concerns of Galaxy users, further efforts will be made to make the screening of candidates more efficient, provide automatic eligibility tagging, facilitate the evaluation of applicants and enhance search functions. The personal history profile is being redesigned, taking into account the many suggestions received. Assistance will continue to be provided to staff and managers to improve their competence in working with Galaxy.

69. The functioning of central review bodies will be enhanced by the provision of periodic training and guidelines for their members and the sharing of good practice across duty stations.

70. Efforts will continue to be made to expedite all phases of the competitive examination system, by further streamlining work processes, the additional use of technology, where possible, and reducing delays in the placement of successful candidates.

D. Mobility

1. Goals

71. To provide the Organization with the means to move people within and among functions, departments, occupational groups, duty stations and organizations of the United Nations system in order to meet its operational requirements; to develop multiskilled staff able to operate in a multidisciplinary environment; to develop a more integrated approach to the many facets of the Organization's work; to promote better understanding and knowledge at Headquarters of the Organization's work in the field, and vice versa; and to provide staff with more varied career opportunities.

2. Achievements to date

72. A mobility policy which applies to all staff from G-5 to D-2 has been established as an integral part of the staff selection system. Since the broad range of the Organization's mandates and functions rules out a rotation policy, the mobility policy, to meet best the diverse needs of the Secretariat's work, defines mobility in the broadest sense, that is, within and among departments, functions, occupational groups, duty stations and organizations of the United Nations system. It sets limits on post occupancy, as at 1 May 2002, of either five years up to the P-5 level or six years above P-5, and establishes minimum post occupancy of two years or one year after a prior lateral move.

73. The new policy clearly links mobility to career development, requiring two lateral moves before promotion to the P-5 level. It also includes incentives to encourage movement to duty stations with high vacancy rates, by allowing staff who have served in Nairobi or a regional commission other than the Economic Commission for Europe a more rapid career growth. The lateral move requirement is reduced to one after serving at one such duty station.

(a) Programmes and initiatives to support mobility

74. Experience in managing mobility has been gained through implementing the mandatory managed reassignment of junior Professional staff and the voluntary Managed Reassignment Programme. As set out in administrative instruction ST/AI/2001/7, all staff recruited at the P-2 level since 1 January 2000 are informed in their letters of appointment that they are required to serve in two different functions within their first five years of service. Over 100 staff at the P-2 level have successfully moved through the two mandatory managed reassignment exercises and the five voluntary reassignment exercises held to date. Approximately one third of these staff members were promoted, while others moved laterally, including across departments, duty stations and occupational groups.

75. All new junior Professional staff receive ongoing support in regard to their careers and, in particular, to mobility. They attend a week-long special orientation programme which includes mobility preparedness and the assignment of a mentor. They also participate in ongoing follow-up development programmes, career support workshops and career counselling.

76. Building on the experience with P-2 mobility programmes, many initiatives have been taken to support all staff in preparing for mobility. These include the following:

(a) Extensive training programmes in 2002 and 2003 to introduce the new staff selection system and mobility policy to staff at all levels at all duty stations;

(b) Workshops for staff and managers on career planning, identifying transferable skills and competencies, analysing vacancy announcements, preparing applications, completing personal history profiles, creating résumés and cover letters and conducting and/or participating in interviews. Over 900 staff participated in one-day workshops offered at Headquarters and offices away from Headquarters, with more than 600 of them attending small-group, follow-up practice sessions;

(c) The Career Resource Centre, established in New York in September 2002, which offers books, videos for self-study, articles, web sites, small-group mini-workshops, practice sessions, and workshops and individual counselling (over 1,200 users to date). Career resource centres are now being established in other duty stations with the assistance of the Office of Human Resources Management, such as that at the Economic and Social Commission for Western Asia, where the Centre was launched in 2004;

(d) A revised e-PAS which includes a career development goal, a learning goal and expression of interest in mission assignment. This new information will assist managers and staff in planning career moves, and provide data to the Organization as a whole to facilitate succession planning and training needs assessment;

(e) Generic job profiles covering the majority of Professional posts and General Service posts (G-5 and above) are available online, clarifying job expectations, increasing transparency, reducing specificity and reducing the years of experience required for many posts.

77. Initial work has begun to establish occupational networks, which are groupings of departments and offices with closely linked mandates or programmes and a common interest in collaborating in such areas as human resources planning, staff development and mobility. A pilot project is under development to implement a network for staff in management and administrative functions throughout the Secretariat. Activities envisaged for this network include: establishment of a network web site for strategic knowledge-sharing, including the sharing of best practice in areas such as knowledge management; compilation of a global database of staff with experience in these areas; analysis and sharing of human resources data across the network (demographic profiles, retirements, mobility, current and chronic vacancies, temporary vacancies etc.); defining of competencies in the human resources, finance, budget and information technology required for advancement to the managerial level; projecting of future needs and discussion of succession planning programmes; and conduct of an assessment of the professional developmental needs of staff in the network. It is envisaged that the initial activities of the network will be in place by the beginning of 2005.

78. Building on the experience of this pilot project, the Office of Human Resources Management will assist in developing other networks which will play an increasingly important role in preparing staff for mobility within and across functions in the Organization.

(b) Planning for the implementation of the mobility policy

79. An implementation plan leading up to the time of the first expiration of post occupancy limits in 2007 or 2008 has been developed. The plan envisages several pilot voluntary managed reassignment exercises prior to 2007 in order to stimulate greater lateral mobility and gain experience on which to draw in implementing the mandatory programme.

80. Starting in May 2007, mandatory managed reassignment exercises will be conducted to facilitate lateral moves of staff whose post occupancy deadlines have expired. As is done in the P-2 reassignment exercises, posts at one level at a time will be placed in a compendium and staff will be invited to apply for up to five posts in the compendium. The process will be transparent since all posts with expired occupancy limits will be included and open for competition among all concerned staff.

81. All efforts will be made to find the best match between the interests of staff and those of the Organization. Based on experience with the P-2 exercises, there should be no need for staff to be coerced into accepting posts since, in almost all cases, satisfactory placements will have been achieved. It should nevertheless be noted that, ultimately, the Secretary-General maintains the authority to assign staff in the manner deemed to be in the best interests of the Organization.

82. Since the mandatory mobility policy will not take effect until May 2007, potential problems and challenges can be anticipated and planned for. Challenges will involve changing the mindset of both staff and managers, providing the necessary support for mobility and, at the same time, working to remove obstacles and barriers. It is important to note that while post occupancy deadlines will begin to expire as at May 2007, it is not foreseen that large numbers of staff will be moving en masse. First, many staff will have fulfilled the mobility requirements before that time. Second, movement will take place in a phased and deliberate way and will be spread over sufficient time to allow for a planned and proactive approach to ensuring continuity.

83. Just as staff retirement dates are well known and should come as no surprise to managers, post occupancy deadlines are also now known, and the stages of the mobility implementation will be communicated to all managers well in advance. Moves will be scheduled in a phased manner, grade by grade, and the Office of Human Resources Management will work with departments and occupational networks to review data on projected moves and assist with succession and knowledge management plans.

84. Introducing systematic mobility in the Secretariat is a major reform which will require significant change in the organizational culture. There is clearly resistance to the idea on the part of some staff and managers, and enthusiasm on the part of others, as is the case with any significant change. While changing a culture and a mindset can only happen over time, the experience with staff at the P-2 level is encouraging. Despite some initial resistance and concern among staff recruited after January 2000 who were subject to the managed reassignment programme, the overwhelming majority of these staff had moved on by themselves by the end of their first three years in their post. This is in stark contrast to the situation only five years ago when the majority of such staff were still in their original post after three years. There is evidence to suggest that, as more staff move and see opportunities

opening up, more and more will welcome the chance for career progression and the acquisition of new skills, provided that they feel sufficiently prepared and supported.

85. Since some resistance is due to fear of the unknown, it will be important to ensure that staff are kept well informed and are well prepared. The measures being taken to inform and support staff include:

(a) A large-scale mobility information campaign, Secretariat-wide, beginning in late 2004 in order to provide information to all staff on the mobility policy, its implications for them and available support mechanisms;

(b) Ongoing mobility and career support workshops and information sessions for staff at all levels at all duty stations;

(c) Career counselling made available through career resource centres;

(d) Enhanced training opportunities to prepare staff to take up new assignments.

86. Some managers remain sceptical about the benefits of mobility and are reluctant to see their staff move. Management development programmes continue to stress that staff are an organizational, not an individual, resource and that managers are ultimately held accountable for achieving mobility targets through their human resources action plans. Nevertheless, as managerial support will be essential to the successful implementation of mobility, special efforts will be required to gain their support. Development programmes, along with orientation programmes for new managers, will continue to emphasize that managers have key responsibility in supporting the development and career progression of their staff and to build skills in coaching, mentoring, on-the-job training and knowledge management. Managers will also need to be well informed, prepared and assured that their interests and concerns are being addressed. The legitimate concern about loss of expertise or institutional memory, for example, will require serious attention, as indicated below.

(c) Knowledge management: preserving institutional memory

87. Increased mobility will inevitably give rise to concerns about maintaining continuity, quality of service and institutional memory. In fact, the Secretariat should be implementing knowledge management practices as a matter of priority, not only because of increased mobility and future high rates of retirement, but also because knowledge, as the Organization's key strategic asset, must be carefully maintained and preserved for the future.

88. Some departments have already launched knowledge management initiatives, including cross-training staff and rotating them through various assignments in order to spread the knowledge base and share institutional memory more widely. In order to support and share the experience of departments already engaged in developing their own knowledge management approaches, the mobility awareness campaign will also include information on knowledge management techniques and best practice. Since appropriate use of information technology is an important factor in knowledge management, knowledge management techniques are being integrated into course offerings in information technology training and will receive even greater emphasis in the future.

89. Institutionalizing better knowledge management practices throughout the Organization, including greater information sharing, better management of electronic data, more deliberate succession planning and increased attention to the development of young Professional staff will require the ongoing organizational culture change that the Secretary-General has called for in his agenda for further change. While this, like all change, will take time, the desired new management culture is being actively promoted through managerial development programmes and in departmental management workshop and managerial orientation programmes. It will also be important to hold managers accountable for knowledge management through existing accountability mechanisms such as e-PAS and compacts with the Secretary-General.

(d) Addressing work and life issues

90. While the new policy defines mobility in the broadest sense, that is, within and among departments, functions, occupational group duty stations and organizations of the system, special efforts are being made to encourage mobility across duty stations and to treat such mobility as an important factor in career development.

91. The mobility policy includes incentives, such as more rapid career progression, to encourage staff to move to Nairobi and the regional commissions other than the Economic Commission for Europe. Such incentives, while important, will not be sufficient unless at the same time progress can be made in addressing obstacles to mobility. Efforts being undertaken with respect to contractual arrangements and career support have been discussed elsewhere in the present report. Staff surveys indicate that concerns about security and medical facilities have a great impact on staff members' decisions regarding mobility for themselves and their families. Perhaps the single most important obstacle to mobility at present relates to the serious difficulty faced by dual-career families, when one of the spouses is unable to find work at a new duty station.

92. Efforts continue to be made to seek ways of addressing this issue. For example, links have been established with Partnerjob.com, an association of companies and organizations with mobile employees which provides a database for résumés and job openings to help find jobs for employees' spouses and partners, and the Permits Foundation, an association of international companies working together to encourage Governments to relax work permit regulations in order to assist with expatriate spouse employment. In addition, the United Nations has participated in an inter-agency project fostered by the United Nations Development Group, which establishes expatriate spouse support networks at field duty stations. At the same time, increased attention must be given to removing host country restrictions on spousal employment, which remains a matter of concern to many staff and limits their ability to be mobile.

3. Future activities

93. Future activities will include the following:

(a) Career resource centres will be developed at all duty stations with a full programme of career support workshops for staff at all levels;

(b) Building on the experience of the pilot management and administration network, the Office of Human Resources Management will assist in establishing networks for other occupational groups;

(c) The mobility information and awareness campaign will continue throughout the period leading up to 2007, including town-hall briefings, information sessions targeted at specific groups of staff, and online questions and answers about mobility issues;

(d) Pilot managed reassignment exercises will be organized for different levels of staff each year leading up to 2007;

(e) Continuing work will be done to improve the quality of human resources data which will be vital in determining post occupancy deadlines and providing managers with timely and accurate data;

(f) Ongoing monitoring of each department's mobility index will continue in the context of human resources action plans;

(g) Work is continuing in the inter-agency context to expedite mobility among the organizations of the system. In October 2003, the United Nations System Chief Executives Board for Coordination adopted an inter-agency mobility statement affirming the commitment of executive heads to promote effectively inter-agency mobility. A new inter-agency mobility accord is under development.

E. Competencies and continuous learning

1. Goals

94. To define and validate the core organizational values and competencies required of all staff, as well as managerial competencies; to promote shared values and common standards and build organizational capacity; to integrate the competencies into all human resources systems; and to develop a culture of continuous learning.

2. Achievements to date

95. United Nations core values and core and managerial competencies were defined in 1999 using a participatory process that involved a cross-section of staff at all levels throughout the Organization, including the Deputy Secretary-General, all heads of department and office and several hundred staff at six duty stations. The defined competencies have now been integrated into generic job profiles, recruitment, staff development and performance management.

96. Commitment to continuous learning was identified as one of the key competencies for all staff, and the Secretary-General remains committed to building a culture of continuous learning in the Secretariat. The Organization's training and learning policy, which has been communicated to all staff, emphasizes that building and maintaining the professional and managerial competence of staff is an important priority and a responsibility shared by the Organization, its managers and its staff members. All staff are required to have a development goal as part of their e-PAS, and managers are held accountable for ensuring that staff can achieve development goals.

97. Staff development programmes have been aligned and new programmes developed to build competencies. Priority programme areas include: leadership and management development, information technology, upgrading of substantive skills, language and communication, gender and diversity and human and financial resources management.

98. Programmes to build supervisory, managerial and leadership capacity have been strengthened and made mandatory for targeted groups of staff and new programmes have been introduced to develop the skills of middle-level and senior managers. Expansion of online training and distance learning via videoconferencing is making training available to larger numbers of staff throughout the Secretariat.

99. Increasing emphasis is being placed on organizational development by working to improve performance at the team, work unit or departmental level. A variety of diagnostic tools has been developed to provide benchmarks for measuring the effectiveness of individuals, teams and departments. On the basis of the assessments of particular departments or work units, focused programmes are developed to address the issues raised. Programmes may include team building, strategic planning, conflict resolution, process reviews, coaching, client service or other forms of learning and development.

100. Competencies have been made an integral part of the new staff selection system. They are included in all generic job profiles, and form part of the evaluation and selection criteria for all posts. Competency-based interviews are required for all recruitments or promotions and are strongly encouraged in the case of lateral moves. All managers and staff involved in the selection process are required to be trained in this method.

101. Organizational core values and core and managerial competencies are now included as part of e-PAS. All staff members are evaluated as regards core values and key competencies for their jobs, as agreed upon with their supervisors during work planning discussions.

3. Future activities

102. Future activities will include the following:

(a) Continued emphasis will be placed on organizational development initiatives to strengthen management and accountability at the work unit and departmental levels. Diagnostic tools, such as a revised 360 feedback for managers, staff surveys and focus groups will be used to identify strengths and weaknesses within departments and target development programmes and activities to address areas for improvement;

(b) Benchmarking tools, such as a profile of an effective department, profile of an effective manager and profile of an effective team, are under development and will be used to set standards and evaluate progress in achieving improvement goals. These profiles emphasize core values such as integrity and respect for diversity;

(c) The use of alternative learning methods, such as mentoring and coaching, will be expanded; specific training in these methods will be provided in the context of managerial development. Enhanced orientation programmes will be offered for specific groups of staff, in particular for those who enter the Organization at the most senior levels of management, for example, as heads of department. These

programmes will guide managers as regards their accountability and the proper exercise of their delegated authority.

103. The United Nations has played a key role in the development of the United Nations System Staff College through active involvement in its governance and support for its needs assessment processes and programme development. The Staff College has the potential to make a contribution to human resources management reform through programmes that cut across traditional lines of responsibility, strengthen partnerships and do not duplicate programmes in other organizations and agencies. The United Nations has emphasized the need for programmes to strengthen management throughout the system and, in this regard, strongly supports the initiative under way to create a high-level leadership programme for senior managers in the United Nations system. This programme will underpin the senior management service which is being developed in the common system to foster shared standards and approaches and a common managerial culture across the system, contribute to the professionalization of the management function and promote inter-agency coordination and mobility.

104. Another potentially valuable contribution by the Staff College would be in providing training and certification in certain areas of administration and management in the development of cross-cutting programmes on management issues. A promising start has been made in the area of procurement. The Staff College should also offer some basic inter-agency services, such as maintenance of a roster of international consultants, and serve as a repository for the system's learning and knowledge management policies and programmes and global best practice.

F. Performance management

1. Goals

105. To create a fair, equitable, transparent and measurable system of performance management for all staff members throughout the Secretariat in support of a results-based culture that recognizes and rewards excellent performance and adequately addresses underperformance.

2. Achievements to date

106. In 1996, the Secretariat adopted a performance appraisal system (PAS) based on linking individual work plans with those of work units and departments and emphasizing annual work planning and goal setting, ongoing feedback and year-end appraisal. The system has been revised twice in the light of experience and feedback. The second revision introduced a new electronic performance appraisal system (e-PAS) as the first United Nations application that is delivered over the Internet to all staff members in the global secretariat. The e-PAS is in a flexible, user-friendly electronic format and provides online performance management support guides. The 2002 revision incorporated the United Nations core values and competencies to provide a fuller picture of performance, provision for self-assessment by the staff member and the staff member's assessment of supervision received, strengthened links between performance management and career development, and enhanced accountability measures.

107. In accordance with administrative instruction ST/AI/2002/3 of 20 March 2002, all departments and offices of the Secretariat and most field missions began using e-PAS during the 2003/04 PAS cycle, and over 21,000 staff are currently registered and using the system. Training on the use of e-PAS has been provided to all users during the progressive rollout of the system. In addition, an e-PAS help desk has been established to resolve any problems that individual staff may experience and to gather feedback about the system. Development programmes to support performance management have been put in place, including people management, supervisory skills, conflict resolution, and workshops on coaching for improved performance and conducting successful appraisal discussions.

108. In order to ensure greater consistency in performance management across the Secretariat, the Department of Peacekeeping Operations field missions replaced their performance appraisal system with e-PAS. In 2003, it was implemented in 11 field missions and, in 2004, all remaining field missions will adopt the system. An integrated learning programme accompanies the introduction of the system and is also offered to new field missions as they are established. Consequently, all staff with appointments of six months or longer now use the same tool, e-PAS, and are covered by the same administrative instruction (ST/AI/2002/3) and guidelines.

109. Monitoring of PAS compliance and rating trends shows that overall organizational compliance has reached over 80 per cent Secretariat-wide for the past two cycles. Differentiation of performance has improved notably over the past five years, with 50 per cent of the Organization rating staff as "fully meets expectations" and around 10 per cent of staff receiving the highest ratings. The number of departments and offices rating their staff significantly above the organizational norm continues to decline.

3. Future activities

110. Based upon feedback from users of the interim reporting system, an e-PAS reporting system with a user-friendly interface is being developed incrementally, providing monitoring information for departments and offices. The reporting system will provide entitled users (e.g., heads of department, executive officers) with global access to accurate and timely information on all phases of the PAS process for their department or office and will provide departments and offices with the ability to monitor e-PAS work flow, compliance, implementation status and rating distributions. In addition, it will provide information on goals, performance expectations, competencies, staff development and other career information to assist departments in human resources planning. The reporting system will also provide tools to detect new trends in performance management that could not be analysed previously (e.g., correlations between gender, grade, department, location and rating distributions).

G. Career development

1. Goals

111. To build and maintain a highly competent, multiskilled and versatile international civil service capable of meeting the Organization's present and future needs and, in so doing, to meet the development needs and career aspirations of individual staff members.

2. Achievements to date

112. The Organization has put in place a comprehensive career development policy which emphasizes that career development is a shared responsibility. It is based on the principle that responsibility for career growth and development is shared by the Organization, its managers and its staff, with each playing a critical role. The policy requires the Organization to provide a framework of opportunity and the requisite supporting programmes and systems; it requires managers to support staff development and career progress; and it requires staff members to be committed to their continuous professional growth.

113. To support the implementation of this policy, the Organization's career development system has been strengthened and made more systematic through the further integration of organizational core and managerial competencies into all human resources systems, including recruitment, staff development, performance management and career progression; the introduction of a new staff selection system which emphasizes demonstrated competencies and performance as the basis for career progression and which includes mobility as an integral part of all staff members' careers; and enhanced development and career support programmes to ensure the continuous professional growth of both Professional and General Service staff.

114. A key objective of the career development system is to attract, develop and retain young Professional staff of the highest calibre from all parts of the world. All entry-level Professional staff are selected by means of competitive examination and then are offered programmes for development and support to facilitate their integration into the Organization and provide a basic foundation of knowledge, skills and competencies.

115. Upon joining the Organization, junior Professional staff throughout the Secretariat take part in a week-long orientation programme, during which they are assigned mentors, and they subsequently receive ongoing career support and follow-up. Some 100 new junior Professionals attended the orientation programme in 2003, within the first four months of the date of their initial assignment. The mentoring programme, launched in 2000, gives an opportunity to every young Professional to engage in a mentoring relationship with a senior colleague. Mentors are senior staff who have volunteered their time to support junior colleagues, and who are provided with training and ongoing support by the Office of Human Resources Management. To date, some 300 mentoring pairs have participated in the programme. Junior Professionals are also invited to participate in programmes to acquire core competencies, such as communication and negotiation skills, client orientation, teamwork and technological awareness. Under the Managed Reassignment Programme which began in January 2002, they are now required to obtain experience in two different functions with different supervisors during their first five years of service. They thus have the opportunity to acquire organizational knowledge in such key areas as human resources, budget, and finance and project management.

116. As soon as staff members take on supervisory functions, they participate in the supervisory skills programme which is part of an integrated series of mandatory programmes to build progressively leadership and managerial competencies at appropriate intervals throughout a staff member's career. This series of programmes includes: supervisory skills for both General Service and Professional supervisors;

middle-level management development for P-4/P-5 staff who do not yet manage people; people management training for staff at the senior and middle levels and a special management programme for staff at the Director level. Required programmes are supplemented by additional training in such areas as coaching, interviewing, team building and resource management.

117. General Service staff participate in competency development and resource management programmes and in a mandatory series of four General Service development programmes. As called for in action 27 of the Secretary-General's report (A/57/387 and Corr.1), a plan for enhancing opportunities for the General Service staff has been developed through a broad consultative process with staff and managers throughout the Secretariat. Work has begun on implementing the plan which includes reviewing General Service functions, responsibilities and competencies and improving the system of General Service recruitment, induction and career planning and opportunities for mobility across functions, within a duty station and at field missions.

118. Actions taken to date include new and enhanced career support programmes for General Service staff; strengthening managerial programmes to include emphasis on support for development of the skills of General Service staff; finalization of generic job profiles for General Service staff to reflect updated duties, responsibilities and competencies and to foster greater harmony of core functions across duty stations; and initial review of entry-level testing for General Service staff to ensure greater consistency among duty stations.

119. All staff from G5 to G7 and P-3 to D-2 are covered by the staff selection system. Under the system, competencies are included in all vacancy announcements and the requisite competencies form an important part of the evaluation criteria for each post, along with education, experience, language and other skills. Consideration is given first to serving staff seeking lateral moves and second to serving staff seeking promotions. Selection decisions are made on the basis of candidates' demonstrated competencies and performance. Generic job profiles, which now cover almost all General Service and Professional posts, define key competencies and skills required for the posts covered by each profile and make the qualifications less restrictive. Profiles are available online for staff to use as a tool for clarifying job requirements and identifying areas for development.

120. While career paths may take different forms and may not necessarily be predictable in this rapidly changing world, occupational networks will help staff to move within and across functions and occupations and will support more systematic cross-functional training and mobility. Voluntary reassignment exercises within occupational networks will facilitate lateral moves. Occupational network web sites will provide staff with the information needed to plan careers (skill and competency requirements, typical career paths etc.) and the demographic information needed by managers for more systematic succession planning.

121. Career resource centres have been established at Headquarters and at the Economic and Social Commission for Western Asia to provide career workshops, information sessions and counselling on career planning, thereby helping staff to identify transferable skills and competencies, analyse vacancy announcements and prepare for career moves. The centres are now being established at all major duty stations, with the Office of Human Resources Management providing assistance with training, consultants, and materials.

122. The performance appraisal system and its new reporting function are further strengthening the link between performance management and career development. The revised system has incorporated competencies so as to give a fuller picture of performance and to highlight key areas for development. It also contains a mandatory development goal for all staff, as well as career goals, aimed at promoting discussion of career aspirations between managers and their staff.

123. The new mobility policy with its limits on post occupancy will change significantly the nature of staff members' career paths. As staff begin to move on a more regular basis, wider career options will be available to all. Career paths will increasingly incorporate lateral moves before promotions, enabling staff to broaden their skills and gain wider experience, thus making them more versatile, qualified for a wider variety of positions and more valuable to the Organization.

3. Future activities

124. Career workshops, self-study resources and counselling will continue to be offered in career resources centres at all major duty stations to assist staff in identifying different career paths and making strategic career choices so as to gain the experience and skills required for their desired career direction.

125. It is foreseen that occupational networks will enable the more systematic development of substantive skills as network managers collaborate to project future needs, identify gaps and implement more proactive and integrated approaches to building the multidisciplinary skills required for staff to move within and across occupations. In addition to organizing common training, the networks will be a vehicle for defining potential career paths and implementing alternative approaches to continuous development, which will include cross-training, job rotations and developmental assignments.

126. Implementation of action 27 to enhance General Service career opportunities will continue and focus on further enhancing systematic development for General Service staff, facilitating their mobility across functions, seeking to establish greater opportunities for qualified staff to join the Professional category, and further review of General Service recruitment, compensation and classification policies and procedures.

H. Conditions of service

1. Goals

127. To provide staff with a better work and life environment and to work with the parties in the common system to develop a competitive compensation system that will enable the Organization to attract and retain staff of high calibre. The Secretary-General has indicated that enhanced conditions of service are a crucial element of his overall programme for human resources management reform.

2. Achievements to date

128. In line with the Secretary-General's agenda for further change (see A/57/387 and Corr.1), the Office of Human Resources Management led a comprehensive inter-agency review of the contractual arrangements and benefits offered to Secretariat staff in field locations with a view to harmonizing them, to the extent

possible, with those of the United Nations funds and programmes. The working group undertaking this review included representatives of the departments that have a field presence, including the Department of Peacekeeping Operations, the Department of Political Affairs, the Office for the Coordination of Humanitarian Affairs and the United Nations Human Settlements Programme (UN-Habitat), and United Nations funds and programmes. The recommendations, which are currently being examined, and which take into account financial and other implications, relate to contractual arrangements, duty station related entitlements, the special operations approach, rest and recuperation and other leave provisions, and lump sums for shipping entitlements. Some related issues are being pursued in other arenas. For example, paternity leave provisions have been discussed by ICSC, and a recommendation on the system-wide introduction of paternity leave will be before the Assembly in the report of ICSC.

129. The United Nations is actively participating with other organizations of the common system in a comprehensive review of the pay and benefits system being conducted under the auspices of ICSC. The objective of the review is to design a competitive system that will enable organizations to attract, develop and retain staff of high calibre and to reward staff on the basis of merit, and that will be easier to administer and more transparent. Progress made to date has included the introduction of a streamlined, modernized job classification standard and a pilot study on broadbanding and pay for performance in a small number of volunteer organizations. Details of the review may be found in the reports of ICSC to the General Assembly.

130. Some progress has been made in the complex area of support for spouse employment, which remains a major concern among staff. Spouse support networks have been developed at many duty stations: in New York, for example, spouses of staff members who recently came to the duty station are being invited by the Office of Human Resources Management to an information session which will help them to acclimatize themselves better to the location, provide them with tools to find work in the labour market and encourage them to form self-help networks. The issue of spouse employment constitutes a significant obstacle to staff members' ability to move (see paras. 91 and 92 above).

131. Following a pilot project, the Secretariat, as at 1 February 2003, introduced flexible working arrangements to provide staff additional flexibility in balancing their professional and personal responsibilities. The programme is predicated on the understanding that the interests of the Organization are paramount. Four options are offered to staff: staggered working hours, a compressed work schedule (10 days in 9), scheduled breaks for external learning, and telecommuting. Briefing kits and guidelines, including model agreements, were provided to all heads of department. Most departments have introduced at least some of these flexible working arrangements. Many offices and departments have reported a boost in staff morale and work motivation, as well as lower overtime costs and a lower incidence of sick leave among participating staff. Supervisors and managers have commented positively that there has been no decrease in productivity or services rendered. In implementing offices and departments, success was often identified as correlated with the willingness of both staff members and managers to make the arrangements work, that is, managerial flexibility, modification of work distribution, working longer hours than required, or a scheduled day off given up voluntarily by staff members at peak work times. The Office of Human Resources Management is

actively supporting departments with implementation procedures and the sharing of best practice.

132. To assist staff members who are nursing mothers to achieve a better balance between their professional and private lives, and in line with global recommendations issued by the United Nations Children's Fund and the World Health Organization, measures to enable staff members to breastfeed their children on site were introduced in the United Nations in 2003.

133. The security of United Nations personnel continued to be a major concern over the past year. Recent world events have necessitated re-examination of how the Organization manages the safety and welfare of its staff. The Office of Human Resources Management plays a key role in the well-being of staff, especially during crisis situations, and works closely with other departments and offices to ensure that human resources issues are taken into account in the planning, preparation and implementation of staff security programmes.

134. New initiatives have been instituted; these include security and safety awareness, and training programmes and guidance for staff and managers on emergency preparedness. Of note is a new programme for the training of staff outreach support providers. These staff members, from various departments and offices, volunteer to assist fellow staff during times of personal crisis or emergency. The programme, in which over 150 staff have received training to date, has already proven to be a valuable source of support in New York and is being introduced at other duty stations.

135. In addition, the Medical Services Division and the Staff Counsellor's Office have redoubled their efforts to ensure that they are prepared to support staff in an emergency. The Office of Human Resources Management has published a booklet, *Emergency Preparedness*, which offers staff and managers guidance on how to prepare for a crisis at both home and work. Other duty stations are being encouraged to produce similar booklets specific to their locations.

136. Systems to keep staff informed during an emergency situation have been implemented, including the staff information web site and hotline, on which staff may find emergency information and updates as to the situation at United Nations Headquarters. These systems will also act as prototypes for other duty stations that have yet to develop such means to communicate with staff during a crisis.

137. Several larger scale initiatives to prepare and care for staff during a crisis situation, including major preparedness programmes for Secretariat staff throughout the world, have been proposed within the Department of Management. Their implementation, however, is dependent upon the availability of resources.

3. Future activities

138. Future activities will include the following:

(a) Together with partners in the common system, work will continue towards the establishment of a competitive and streamlined remuneration system and the simplification of entitlements;

(b) The work and life task force, which is led by the Office of Human Resources Management and which includes representatives from United Nations funds and programmes, will continue its work on issues such as support for spouses,

childcare facilities, bereavement, elder care and caretaker groups, flexible working arrangements and other improvements in the working environment.

1. Contractual arrangements

1. Goals

139. To adapt contractual arrangements to serve better the operational needs of the Organization while recognizing different types of situations (i.e., stable, continuing work programmes and projects; sudden major surges in the volume and type of work, especially in peace-building, peacekeeping and humanitarian operations and including tasks of limited duration; seasonal fluctuations; and short-term requirements) and introducing greater equity for staff.

2. Achievements to date

140. The Secretary-General's proposals for improved, more equitable contractual arrangements that are more suited to the Organization's needs would simplify the Organization's current contractual arrangements to provide for three types of appointments: short-term (up to six months); fixed-term (up to a maximum of five years); and continuing (open-ended, with separation benefits).

141. The proposals were presented in the report of the Secretary-General on human resources management reform submitted to the General Assembly at its fifty-fifth session (A/55/253 and Corr.1, para. 47). In paragraph 50 of that report, the Secretary-General indicated that he wished to review further the issues linked to the terms and types of appointment and to continue the dialogue with the staff before presenting specific recommendations to the Assembly, and that he would welcome the views of the Assembly, in particular with regard to the issue of permanent contracts.

142. In section III of its resolution 55/258, the Assembly requested the Secretary-General to submit his definitive proposals, in accordance with the steps outlined in paragraph 50 of his report, on new contractual arrangements, spelling out the differences between existing and proposed types of appointments, for consideration by the Assembly. The request was reiterated by the Assembly in section II, paragraph 58, of resolution 57/305, in which it also requested the Secretary-General, in the meantime, to continue current contractual arrangements in accordance with existing mandates. The definitive proposals are presented in an addendum to the present report.

143. The proposals on contractual arrangements were submitted to the Staff-Management Coordination Committee (SMCC) at its twenty-fourth, twenty-fifth and twenty-sixth sessions. At the twenty-sixth session of the Committee in 2002, considerable progress was made on the subject of continuing appointments.

3. Future activities

144. The proposals would entail changes to the Staff Regulations and Rules. The proposed amendments have been submitted for comment to the staff and United Nations funds and programmes. Those comments will be taken into account when finalizing the Secretary-General's definitive proposals, which are presented in an addendum to the present report.

J. Administration of justice

145. The administration of justice is considered as a separate item in the agenda of the General Assembly.

IV. Cross-cutting issues

146. By resolutions 57/305 and 57/300, the General Assembly requested the Secretary-General to report to it at its fifty-ninth session on a number of issues which are cross-cutting in nature: opportunities for promotion from General Service to Professional category; monitoring; and high vacancy rates at United Nations offices and regional commissions in developing countries, particularly those located in Africa.

A. Opportunities for promotion from General Service to the Professional category

147. The General Assembly, in paragraph 39 of resolution 57/300, requested the Secretary-General to submit a study on ways to promote General Service staff to Professional posts, analysing the effects on non-represented and underrepresented countries, while ensuring the implementation of equitable geographical representation and aligning the procedures and qualifications of the General Service to Professional category examinations to those of the national competitive recruitment examinations.

1. Background

148. General Service staff, who represent more than one half of the Organization's workforce, constitute a significant proportion of the human resources assets available to the Organization to carry out its ever-growing mandates. Over 60 per cent of General Service staff are women. Since joining the Organization, many staff in the General Service category have gone on to obtain first and even second-level university degrees.

149. As has been noted by ICSC in regard to conditions of service for General Service staff, senior General Service staff throughout the system are increasingly having delegated to them increased and more varied and complex tasks as managers seek to cope with fewer resources and expanded challenges. Yet, since the post pyramid narrows sharply at the top of the General Service category (G-7 level is only one third the size of the G-5 level), limited opportunities exist for qualified General Service staff to advance.

150. Inadequate career development opportunities for such a large proportion of the staff have a clearly negative impact on motivation, productivity and morale. In his agenda for further change, the Secretary-General noted that the General Service staff are an extraordinary source of skill and expertise and emphasized the importance of creating more opportunities for them. In this connection, the Secretary-General expressed his regret that the Assembly had chosen to limit the possibilities for General Service staff to be promoted to the Professional category by mandating very restrictive annual quotas. He urged Member States to review their

position so that top performers have genuine prospects for advancement, and suggested raising the annual quota of P-2 posts available for successful General Service examination candidates to 25 per cent from the level of 10 per cent set by the Assembly in 2001 (resolution 55/258, sect. IV, para. 17). In response to the Secretary-General's suggestion, the Assembly requested that the current study on ways to promote General Service staff be undertaken.

2. Effects on geographical representation

151. Since it is not possible to predict the nationalities of future successful candidates, it was considered that a review of past trends would be indicative. The G to P examination for promotion from General Service to the Professional category has been in effect since 1979. At present, there are 332 serving staff in the Organization who joined the Professional category on the basis of the examination. These staff, who are nationals of 57 different countries, represent some 13 per cent of the 2,491 staff members of the Secretariat in posts subject to geographical distribution.

152. Since representation levels are always in flux, it is only possible to present the picture at a given moment in time. Table 2 below shows the level of representation of Member States as at March 2004, including the above-mentioned 332 staff currently on board and the impact on levels of representation.

Table 2
Impact of promotions from General Service to the Professional category on levels of geographical representation

<i>Level of representation of Member States</i>	<i>Including General Service to Professional</i>	<i>Without General Service to Professional</i>	<i>Impact on representation</i>
Overrepresented	15	7	Negative
Within range	149	150	Neutral
Underrepresented	12	18	Positive
Unrepresented	15	16	Positive
Total Member States	191	191	

153. In viewing this snapshot, it is important to note that the examination for promotion from General Service to the Professional category is but one of many factors that have an impact on the level of representation of Member States. Others include recruitment through national competitive examinations, recruitment at other levels, retirements and other separations. Proactive measures being undertaken to improve overall geographical distribution are outlined in other documents before the Assembly. It should be noted that the above impact analysis is based on data drawn from the 25-year period when 30 per cent of P-2 posts were reserved for examination candidates, until the Assembly, in resolution 55/258, reduced the percentage to 10 per cent. In view of the results produced during that period, it would seem that a quota of 25 per cent, as the Secretary-General is proposing, would not have a major impact on representation while it would significantly affect the morale and motivation of General Service staff.

3. Increasing the number of posts available to the G to P examination

154. In the context of action 27, focus groups, including several hundred General Service staff across the Secretariat, revealed that lack of prospects for career growth was a major source of frustration and low morale. Although the number of staff who could be promoted, even with a 25 per cent quota, would still be limited, the possibility of moving from the General Service to the Professional category by passing the competitive examination has, for 25 years, served as a significant motivating factor, representing a goal to be striven for by qualified General Service staff. An attempt thus needs to be made to balance the effects on productivity and morale of restricting the legitimate career aspirations of so large a group of staff and the concerns of Member States regarding equitable geographical representation.

155. After careful review, the Secretary-General would request the General Assembly to raise the number of posts available for promotion through the examination for promotion from General Service to the Professional category to 25 per cent of the number of the staff, other than language staff, that were recruited during the previous calendar year at the junior Professional level (P-1 to P-2) after passing a national competitive examination.

4. Creating a roster for promotion to non-geographical posts

156. Clearly, the number of staff who can reach the Professional category through the examination system would remain small, even if the quota were raised to 25 per cent. Still, it is believed that a competitive examination process remains the best way to ensure that the most qualified successful candidates are selected for promotion, and it would thus appear to be the most equitable and fair way of promoting staff and ensuring the same standards as those required for external candidates.

157. The national competitive recruitment examinations and examinations for promotion from General Service to Professional category are now almost fully aligned. Candidates sit the same examinations and are required to have the same educational qualifications (with the exception of a small number of General Service staff who were exempted in accordance with an agreement reached in 1989). The remaining difference is that, whereas candidates successful in the national examinations are placed on a roster from which present and future vacancies are filled, there is no roster system for the examination for promotion from General Service to Professional category. As a result, high scoring candidates who do not obtain a post owing to the limits set by the General Assembly are obliged to retake the examination in the following years, which causes understandable frustration among staff. Moreover, requiring those candidates to retake the examinations may not be the most efficient use of resources.

158. It is understood that full alignment of the examinations, by having identical rostering systems, is not possible because of the limitations on the number of posts allotted for candidates in the General Service to Professional examination. However, it is proposed to introduce a modified rostering system for such candidates, which could create additional opportunities for the successful candidates.

159. Under the proposed system, successful candidates who could not be placed because of the posts limitations would be placed on a three-year roster of certified candidates. Such candidates, while not eligible to apply for geographical posts,

would be entitled to apply for Professional posts in the Secretariat not subject to geographical distribution.

160. While staff on the roster would not be guaranteed a post, these staff would at least have one additional career avenue opened which is not available to them at the current time. Since candidates from the roster would not be applying for geographical posts, the existence of this roster would not have an impact on the status of representation of Member States.

B. Monitoring

161. Pursuant to General Assembly resolution 55/258, the Secretary-General outlined a plan to build increased capacity in the Office of Human Resources Management so as to improve its effectiveness in monitoring all relevant activities in the Secretariat regardless of the source of funding (see A/57/276). The aim is to ensure that established standards, norms and specifications are respected; that regulations, rules, policies and procedures are adhered to; that performance targets are met; that support and guidance are given where required; and that best practices are vetted, developed and promoted. The Assembly, in section IV of its resolution 57/305 endorsed the approach outlined by the Secretary-General to develop a more robust monitoring capacity in the Office of Human Resources Management. Further, it emphasized the importance of the monitoring of policies, guidelines and practices by the Office, and requested the Secretary-General to ensure that the proper screening process for recruitment, identifying the best qualified candidates, was conducted by the Office, in accordance with section IV, paragraph 7 of resolution 55/258, to continue to develop a comprehensive monitoring system and to report thereon to the Assembly at its fifty-ninth session.

162. A more robust monitoring capacity entails the development of a methodology, the necessary tools and instruments, a comprehensive programme of implementation and the progressive creation of a specialized capacity in OHRM and in departments and offices. Efforts in 2003-2004 focused on the development and introduction of an integrated approach to human resources management monitoring. In 2005 additional tools will be provided to departments and offices in order to increase their ability to self-monitor.

1. Current status

163. Prior to 2003, monitoring of activities by the Office of Human Resources Management was conducted on a sectoral basis. With the development of the integrated monitoring system and programme in 2003, pursuant to Assembly resolution 57/305, monitoring activities expanded to include on-site monitoring missions covering a broad range of human resources management issues. Eighteen on-site monitoring visits have been conducted since 2003: five in offices away from Headquarters; nine in Department of Peacekeeping Operations field missions; and four in United Nations peacekeeping or peace-building related offices (Department of Political Affairs-led offices). On-site monitoring of offices in New York began in 2004 with a review of the Personnel Management and Support Service (Office of Management Support) in the Department of Peacekeeping Operations.

164. As part of its ongoing monitoring activities, the Office of Human Resources Management has also intensified its support to departments and offices through:

(a) the provision of advice and guidance in a variety of areas, such as recruitment and the new staff selection system, performance management, staff development and training, management of entitlements, classification, job profiles, staff administration, use of consultants and retirees, mobility, staff-management relations; (b) interpretation and clarification of policies and provision of guidelines; (c) review and approval of exceptions; (d) conflict resolution; (e) identification of needs and assistance through training to augment human resources management capacity; and (f) identification of trends, oversights or deviations from established rules for purposes of correction, and the implementation of measures to avoid their recurrence.

(a) Methodology

165. The monitoring methodology, customized to the organizational and managerial structures of offices away from Headquarters, Department of Peacekeeping Operations field missions and Headquarters-based departments and offices, is organized around four phases of the monitoring process: planning and preparation; implementation; reporting; and follow-up of the implementation of the recommendations. A number of standardized mechanisms are used, such as online review of human resources information and data for early warning purposes; meetings with management and human resources practitioners, staff and clients of human resources services to discuss the implementation of policies, procedures and internal practices and to identify areas requiring the assistance of the Office of Human Resources Management; and review of selected files and records. The Office has drafted standard operating procedures describing in detail the actions to be taken by various parties at each phase of the monitoring process.

166. Human resources monitoring is linked to the human resources action plans; progress made towards the achievement of established human resources targets is tracked and evaluated on a six-monthly basis by the Office of Human Resources Management and the departments and offices involved. A web site for this purpose is under development and will go online by the end of 2004. Monitoring of the targets set in the human resources action plans is part of the standard monitoring templates used for on-site monitoring missions.

(b) Monitoring tools

167. In order to facilitate the conduct of human resources management monitoring activities, the following tools have been developed:

(a) A monitoring review template indicating the list of pre-selected areas for monitoring, the reference standard, norm or benchmark used, the sources of information, tools and methodology, the preliminary identification of issues, and findings, observations and recommendations. This is supplemented by detailed review worksheets (e.g., for education grants or recruitment);

(b) Standardized reporting formats, designed to streamline the reporting process and its follow-up by capturing the essential elements of the findings, and the recommendation and facilitation of the initiation of follow-up actions (e.g., charts and worksheets on entitlement decisions, which are used as training and reference aids for human resources practitioners and for the computation of entitlements);

(c) A monitoring report implementation worksheet to facilitate the follow-up and identification of responsibilities and time lines for the implementation of recommendations.

2. Emerging issues and preliminary assessment

168. Although it is too early to assess the full impact of the monitoring activities of the Office of Human Resources Management in the Secretariat, a few examples illustrate it. Actions have been initiated by departments and offices to implement recommendations for issues identified during monitoring reviews, and concrete problems have been solved. For example, training of staff of the Personnel Management and Support Services of the Department of Peacekeeping Operations has reduced delays in the processing of education grant claims from staff. The specific need of the Service for policy guidelines or clarification of existing policies received concerted attention after field reviews. Joint task forces were organized by the Office of Human Resources Management and the Department to assess needs and develop interim and long-term solutions. On-site monitoring has been particularly useful for sensitizing missions and departments on areas of corporate responsibility, including observance of the code of conduct, equitable geographical representation and gender issues. Overall, there is increasing recognition of the importance of good management practice and of accountability, and the role of the Office as the central authority and source of guidance in human resources management has been reinforced. Exposure of staff of the Office based at Headquarters to the realities of peacekeeping missions and offices away from Headquarters has increased their responsiveness and ability to respond to client needs.

169. The experience and feedback gained from recent monitoring missions will help to improve further the monitoring function. While the Office has approached monitoring as a partner-based endeavour, experience has shown that building trust and partnership with departments needs further and sustained effort.

3. Future activities

170. On-site monitoring visits will be continued and follow-up activities pursued and partnerships strengthened with departments and offices. The existing elements of the monitoring system, such as the monitoring content, reporting format, standard operating procedures and electronic tools, will be refined. Further alignment of human resources planning and human resources monitoring activities will be made. Capacity-building for monitoring in departments and offices will continue through the provision of training, technical assistance and guidance.

171. To provide programme managers and human resources practitioners with electronic access to the information necessary for decision-making and to facilitate monitoring, a web site will be launched by the end of 2004. Its features include:

(a) A facility for online monitoring of human resources action plans with the provision of interactive and updated statistical reports;

(b) An application that allows the Office of Human Resources Management and departments to track the progress made in implementing the recommendations of monitoring mission activities. This application will eventually include monitoring tools, templates and questionnaires on local human resources service levels.

C. High vacancy rates

172. The General Assembly, in paragraph 13 of section II of resolution 57/305, requested the Secretary-General to address the causes of the continuous high vacancy rates at all heavily affected United Nations offices and regional commissions in developing countries, particularly those located in Africa, and to report thereon to the Assembly at its fifty-ninth session. The present section analyses the situation in the affected offices (Economic Commission for Africa (ECA), Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP), Economic and Social Commission for Western Asia (ESCWA), UN-Habitat, United Nations Environment Programme (UNEP), United Nations Office at Nairobi and International Criminal Tribunal for Rwanda) and describes a number of initiatives taken by the Secretariat to alleviate the problem. Data and information for the analysis were drawn from the Integrated Management Information System (IMIS)⁶ and a survey carried out by the Office of Human Resources Management with the chiefs of administration of concerned United Nations offices and regional commissions⁷ conducted in 2004.

173. A review of IMIS data for the period 1999-2003 shows that:

(a) Vacancy rates in ECA, ECLAC, ESCAP, ESCWA, UN-Habitat, UNEP and the United Nations Office at Nairobi have fluctuated considerably throughout the period;

(b) As at 31 December 2003, vacancy rates at all offices, except ECA, were below 12 per cent. The average for the Secretariat as a whole, however, is 9.3 per cent;

(c) There are significant vacancy rate fluctuations for UNEP, the United Nations Office at Nairobi, UN-Habitat and ESCWA. For example, the vacancy rates for UNEP changed from 14 per cent (30 June 1999) to 0 per cent (30 June 2000), to 5 per cent (30 June 2001), to 18 per cent (30 June 2002), to 0 per cent (30 June 2003) and then to 7.1 per cent (31 December 2003);

(d) Although ECA continued to experience high vacancy rates during the period, the situation has improved. Its vacancy rate has been reduced by about one half, from 32 per cent in June 2000 to 17 per cent in December 2003;

(e) The vacancy rates at ESCAP and ECLAC remained at around 10 per cent.

174. An analysis of the responses to the survey indicates that more than one half of separations (51 per cent) from the eight offices during the period from 1 July 2002 to 30 June 2003 were due to resignations: of a total 198 separations, 101 were resignations. The high number of resignations is attributable mainly to the International Criminal Tribunal for Rwanda, many of whose staff are currently seeking employment elsewhere in view of the expected completion of the Tribunal's work in 2010. If the Tribunal were excluded from the analysis because of its special circumstances, a different picture emerges: 31.5 per cent (40 instances) of separations were due to resignation. Of the rest, 35 were retirements (27.5 per cent), 32 were due to expiration of contract (25.2 per cent) and 20 were due to other reasons (15.8 per cent).⁸

175. For other offices located in Africa, excluding the International Criminal Tribunal for Rwanda, there was only one resignation.⁹ The major types of separation during the period from 1 July 2002 to 30 June 2003 were retirements (12) and transfers, assignments or secondments (11).

176. Separations at the duty stations located in developing countries outside Africa were at a higher level than those in the duty stations located in Africa. The number of resignations at ECLAC almost tripled during the period from 1999 to 2003. For the period from July 2002 to June 2003, there were 29 resignations, comprising 76 per cent of the 38 separations, compared to 11 resignations, or 33 per cent of the 37 separations during the period from July 1999 to June 2000. At ESCAP, during the period from July 2002 to June 2003, expiration of contract was the dominant reason for separation, accounting for 15 of 30 separations (other separations included 9 retirements and 5 resignations). At ESCWA, retirement and resignation seem to be the prevalent types of separation. Although the number of separations is comparatively small, it has doubled from 9 during the period from July 1999 to June 2000 to 18 during the period from July 2002 to June 2003.

177. At the International Criminal Tribunal for Rwanda, owing to its particular situation, resignations of staff during the period from 1999 to 2003 were much higher compared to the other seven offices, accounting for between 60 per cent and 85 per cent of all resignations¹⁰ across all the eight offices during this period. A number of factors contribute to the situation. As the Tribunal prepares to complete its work by 2010, in accordance with Security Council resolution 1503 (2003), there is an absence of long-term career prospects for its staff. Consequently, many of them are trying to join other departments and offices of the Secretariat or are seeking employment elsewhere. Concerns about security and medical facilities are also factors contributing to resignations at the Tribunal.

1. Causes of high vacancy rates

178. The analysis of the causes of continuous high vacancy rates at these offices is based on the responses to the survey carried out by the Office of Human Resources Management.

179. In decreasing order of importance on a seven-point scale, the following causes for difficulties in retaining recruited staff were rated as common to all offices: inadequacy of spousal employment (7 points); security situation at the duty station (5 points); hardship and living conditions (4.5 points); lack of opportunities for career development (4 points); and inadequate medical facilities (3.5 points).

180. The survey results highlighted that family concerns and spousal employment are among the most relevant issues affecting the possibility of attracting new staff. For offices located in Africa, those two causes are the major reasons for the high vacancy rates.

2. Measures to reduce high vacancy rates

181. The Secretary-General attaches high priority to reducing further the vacancy rates at ECA, ECLAC, ESCAP, ESCWA, UNEP, UN-Habitat, the United Nations Office at Nairobi and the International Criminal Tribunal for Rwanda. To this end, special efforts have been made in recent years to address the problem. For example, recruitment campaigns undertaken jointly by ECA and the Office of Human

Resources Management have contributed to the filling of more than 100 posts over the past three years. In addition, the staff selection system, which came into effect on 1 May 2002, provides incentives to encourage movement to duty stations with high vacancy rates. In this connection, the requirement for two lateral moves before a promotion to the P-5 level is reduced to one lateral move for staff members who have served in Nairobi or a regional commission other than ECE. Through the Managed Reassignment Programme for junior Professionals, 21 P-2 staff members have moved within, from or to the seven offices, excluding the International Criminal Tribunal for Rwanda, in 2002 and 2003. A Career Resource Centre has been set up in ESCWA to provide a variety of assistance to staff, including counselling on career planning. As mentioned above, similar centres are to be established at other major duty stations.

182. The Secretariat continues to seek ways of addressing difficulties with spouse employment (see paras. 91 and 92 above), which have been identified by almost all offices as the major issue in retaining and attracting staff. The prevailing security situation at duty stations is another factor affecting the retention and attraction of new staff. The entire issue of security is under review and will be considered in a separate report to the General Assembly.

183. In addition, several other measures seek to address vacancy rates throughout the Secretariat. For example, vacancy management with specific targets for reducing vacancy rates is an element in the departmental human resources action plans. The requirement that heads of department and office advertise an expected vacancy six months before the anticipated vacancy occurs is also included as a target in the action plans. The issuance of the administrative instruction concerning retention in service beyond the age of separation and limits on the employment of retirees (ST/AI/2003/8), constitutes an added incentive for programme managers to advertise expected vacancies as early as possible.

184. Further, the eight offices will benefit from future programmes, particularly those which will be put in place in preparation for the implementation of the managed mobility policy (see section III.D above). Particular attention and assistance will continue to be given to the affected offices in reducing their vacancy rates.

V. Conclusion and recommendations

185. The overall objective of the reform of human resources management is to enhance and capitalize on the quality of staff and managers of the Organization in an effort to create a results-oriented, high-performing Organization that is flexible and ready to meet the ever-evolving needs of Member States.

186. Efforts made in the past six years have focused on developing and implementing an integrated programme that will support a shift in underlying attitudes and behaviour, and create an environment that enables all staff to contribute to their maximum potential.

187. Change has not been without challenge. Any large-scale cultural change requires time, sustained effort and commitment. Department heads, line managers and staff are adapting to their changing roles. New partnerships have had to be developed. The Office of Human Resources Management is playing

an expanded role which includes, among other things, that of expert, service provider, staff advocate, strategic partner and change agent.

188. Considerable progress has been achieved in introducing and implementing reform initiatives. Efforts will continue to aim at consolidating, institutionalizing and expanding them. The future of any organization depends on its ability to learn, grow and change as the world changes, and the United Nations is no exception. The Secretary-General will monitor and evaluate the impact of current and future initiatives on the professional excellence of staff and on the mandates assigned by the General Assembly.

189. The Secretary-General continues to be guided by the General Assembly in the development and implementation of reform initiatives. In this connection, he submits in the present report recommendations pertaining to the staff selection system and to the Assembly's request to identify ways to promote General Service staff to Professional posts. With regard to the staff selection system, the Secretary-General invites the Assembly to consider reducing the time for advertising vacancies to 45 days from the current 60 days in order to expedite the process leading to the selection of candidates. On the examination for promotion from General Service to the Professional category, the Secretary-General proposes that the percentage of P-2 posts available for successful candidates be raised to 25 per cent, and that a system be introduced to roster high-scoring, but unplaced, candidates and allow them to apply for posts not subject to geographical distribution for a period not to exceed three years. In addition, he will be submitting to the Assembly in an addendum to the present report his specific proposals on contractual arrangements.

190. The Secretary-General invites the Assembly to approve his recommendations, and to take note of the progress achieved and the envisaged future activities for reform of human resources management, as described in the present report.

Notes

¹ In section II, paragraph 33, of its resolution 57/305, the Assembly requested the Secretary-General to hold the heads of relevant departments accountable for the human resources action plans and to ensure that they in turn take due account of equitable geographical representation when considering candidates on the lists endorsed by the central review bodies, as well as on the rosters, and to report to the Assembly on progress made by departments in the implementation of their respective human resources action plans.

² Six departments have no extrabudgetary posts.

³ The Office for the Coordination of Humanitarian Affairs recruited one national competitive examination candidate from Tajikistan and ESCAP recruited one staff member (Director) from Vanuatu.

⁴ The United Nations Office at Vienna and the Office of the United Nations High Commissioner for Human Rights recruited one candidate from Uzbekistan and Andorra, respectively.

⁵ The mobility index is the sum of promotion and transfer indices. The promotion index is the ratio of the number of staff having been promoted to the total staff at the beginning of the reference period, expressed as a percentage. The transfer index is the ratio of the number of staff who moved laterally from one department to another to the total staff at the beginning of the reference period, expressed as a percentage. The mobility index will in future include lateral movements within a department.

⁶ The analysis operates with vacancies in regular budgetary posts at the Professional level and above.

⁷ ECA, ECLAC, ESCAP, ESCWA, UN-Habitat, UNEP, United Nations Office at Nairobi and International Criminal Tribunal for Rwanda.

⁸ Other reasons include agreed termination of contract, separation on disciplinary grounds, reasons of health, transfer or secondment.

⁹ At ECA.

¹⁰ There were 61 resignations at the International Criminal Tribunal for Rwanda (60.5 per cent) among the total of 101 resignations in the period 2002-2003; 64 (65 per cent) among the total of 99 resignations in the period 2001-2002; 60 (71 per cent) among the total of 84 resignations in the period 2000-2001 and 79 (85 per cent) among the total of 95 resignations in the period 1999-2000.

Annex

Recruitment, selection and appointment of staff in jointly funded bodies

1. By paragraph 14 of section II of its resolution 57/305 of 15 April 2003, the General Assembly requested the Secretary-General to report to it at its fifty-ninth session "on the differences between the policies and procedures for staff recruitment, selection and appointment of the Secretariat and those of jointly funded organizations, such as the United Nations Joint Staff Pension Fund, the International Civil Service Commission and the Joint Inspection Unit, specifically addressing the mechanisms in those jointly funded organizations to ensure equal access to the opportunity to compete for positions, merit-based staffing and fairness and transparency in the selection process. Set out below are the policies and procedures in place for the selection of staff for each of those organizations.

Secretariat of the International Civil Service Commission

2. Article 20, paragraph 2, of the statute of the International Civil Service Commission (ICSC) provides:

"The staff, selected in accordance with the provisions of Article 101, paragraph 3, of the Charter of the United Nations, shall be appointed by the Secretary-General after consultation with the Chairman of the Commission, and, as regards senior staff, with the Administrative Committee on Coordination [now known as the United Nations System Chief Executive Board for Coordination]. All staff shall be appointed after appropriate selection procedures. In carrying out their duties, they shall be responsible to the Chairman and shall be removable only after consultation with him or her."

3. The policies and procedures for staff recruitment, selection and appointment are carried out in accordance with personnel arrangements established by the Secretary-General after consultation with the Chairman of ICSC.

4. For senior staff (defined as staff at the P-5 level and above), ICSC issues vacancy announcements that are circulated to all participating organizations of the United Nations common system. Applications are evaluated by a panel headed by the Executive Secretary of ICSC, who draws up a short list for consideration and approval by the Chairman of the Commission. This short list is then communicated to the Chairman of the Chief Executives Board, with a request that he consult his colleagues and communicate the outcome of these consultations to the Chairman of ICSC. The Chairman of ICSC selects a candidate on the basis of the comments received, and recommends his or her appointment to the Secretary-General. There is no review by a joint advisory body.

5. For staff at the P-3 and P-4 levels, vacancy announcements are issued simultaneously for internal candidates from common system organizations, including the United Nations, through the circulation of a vacancy notice by the ICSC secretariat and for external candidates through the circulation of a vacancy notice by the United Nations. All candidatures received are evaluated by a panel headed by the Executive Secretary of ICSC who draws up a short list for review by the Chairman. If the selected candidate is a staff member of one of the participating organizations, the Chairman of ICSC recommends to the Secretary-General that he

appoint that candidate, who will receive a United Nations appointment for service limited to the ICSC. If no selected candidate can be found from within the common system organizations, the Chairman of ICSC reviews external candidates and makes a recommendation to the United Nations Secretariat Central Review Committee (formerly known as the Appointment and Promotion Committee), in accordance with applicable procedures. If the Committee is satisfied that the process has been properly followed, the selected candidate will receive a United Nations appointment that is not limited to service with ICSC. If the Committee is not satisfied that the process has been properly followed, but where the Chairman of ICSC is of the view that a particular candidate is essential to the work of ICSC, the Chairman may recommend the candidate directly to the Secretary-General for appointment. That candidate would then receive a United Nations appointment limited to service with ICSC.

6. For staff at the P-1 and P-2 levels, the Chairman of ICSC has the option of following the procedures set out in paragraph 5 above for candidates who are already at those levels in the common system, or he may request the United Nations to find a suitable candidate through a competitive recruitment examination, in which case the candidate will be granted a United Nations appointment with no limitation on service. The Chairman may also decide to promote a General Service staff member already serving with the ICSC secretariat, in which case that staff member would be granted an appointment limited to service with the ICSC secretariat. Such a movement from the General Service to the Professional category would not be recognized by the United Nations.

7. A review of the vacancies in the ICSC secretariat at the P-3 level and above over the past five years shows that all were advertised. In most cases, a staff member of one of the participating organizations was appointed; some were also recruited from other international organizations and national governments.

8. Selected candidates who are staff members of an organization of the United Nations common system are normally seconded to the ICSC secretariat. For the period of their secondment, they are granted a United Nations fixed-term appointment limited to service with the ICSC secretariat, as are candidates transferred from a participating organization or recruited from outside the common system.

9. Announcement of vacancies in General Service positions are circulated by ICSC to the participating organizations at the duty station and by the United Nations. If a candidate is selected under United Nations procedures, the resulting appointment will not be limited to service with ICSC. If a candidate is selected from a participating organization, the resulting appointment will be on secondment, with service limited to ICSC.

Secretariat of the United Nations Joint Staff Pension Fund

10. The United Nations Joint Staff Pension Fund (UNJSPF) is an inter-organizational body administered and managed by the Chief Executive Officer of the Fund who is directly responsible to the United Nations Joint Staff Pension Board and ultimately to the General Assembly.

11. Under article 7 (a) of the UNJSPF Regulations, the Chief Executive Officer and a Deputy are appointed by the Secretary-General on the recommendation of the

Pension Board. Under article 7 (b), the Secretary-General appoints such further staff as may be required by the Board.

12. The staff of the Pension Fund, including the Investments Management Service, hold United Nations letters of appointment. They are governed by United Nations staff rules and administrative issuances. The Chief Executive Officer is responsible to the Pension Board and ultimately to the General Assembly. The recruitment, transfer, selection and appointment of the staff of the secretariat of the Fund, including the Investments Management Service, are subject to the regular procedures of the United Nations Secretariat insofar as they do not conflict with the requirements of the Board and the regulations of the Fund as approved by the General Assembly. It is on the basis of these principles that the Office of Human Resources Management and the Chief Executive Officer of UNJSPF signed a memorandum of understanding on personnel policy and procedures for UNJSPF in 2000.

13. In accordance with the memorandum of understanding, posts at the P-2 and P-3 levels in the Fund secretariat are filled through the selection of successful candidates in the United Nations national competitive recruitment examinations, or by United Nations General Service staff successful in the competitive examinations for promotion from General Service to the Professional category, or from candidates applying from other member organizations of the Fund, who are considered internal candidates provided they have been selected for their positions in accordance with the normal appointment and promotion procedures applicable to their member organization. Vacancies at the P-4, P-5 and D-1 levels are filled through the normal appointment and promotion procedures applicable to the United Nations Secretariat, except that applicants from member organizations of UNJSPF are considered internal candidates provided they have been appointed through the normal appointment and promotions procedures applicable in their organization.

14. The recommendations of the Chief Executive Officer are considered by a central review body in accordance with established procedures. When the central review body is satisfied that the process has been properly followed, the Chief Executive Officer selects one of the recommended candidates. Should the central review body not be satisfied that the process was properly followed, the case would be sent to the Assistant Secretary-General for Human Resources management for vacancies up to the P-4 level, and to the Under-Secretary-General for Management for vacancies at the P-5 and D-1 levels. The final decision would then be taken after consultation with the Chief Executive Officer. In the event that no agreement can be reached, the Chief Executive office may select a candidate who would then be appointed for service limited to UNJSPF. Staff appointed under these conditions could subsequently be promoted to a higher level within the Pension Fund without resort to the review bodies, subject to consultation with the Office of Human Resources Management. Should these staff members apply for posts in the United Nations Secretariat, they would be considered external candidates.

15. In the past few years, the Chief Executive Officer has requested the promotion of staff outside regular United Nations procedures in two cases in which existing staff were promoted without the circulation of a vacancy announcement after their posts had been reclassified upwards. The appointment of these staff members remains limited to service with UNJSPF. All other vacancies were filled through regular United Nations procedures.

16. General Service staff of the Fund secretariat are appointed and promoted through the regular United Nations Secretariat procedures, except that applicants from member organizations at the same duty station are considered internal candidates provided they have been appointed through the normal appointment and promotion procedures of their member organizations for the particular duty station. It should be recalled that UNJSPF has offices in New York and Geneva.

Secretariat of the Joint Inspection Unit

17. Article 19, paragraph 2, of the Statute of the Joint Inspection Unit (JIU) provides:

"The staff, selected in accordance with Article 101, paragraph 3, of the Charter of the United Nations, shall be appointed by the Secretary-General after consultation with the Unit and, as regards the appointment of the Executive Secretary, after consultation with the Unit and the Administrative Committee on Coordination [now known as the United Nations System Chief Executives Board for Coordination]. The staff of the secretariat shall be staff members of the United Nations and the Staff Regulations and Staff Rules of the United Nations shall apply to them."

18. The staff of the JIU secretariat are therefore governed by United Nations Staff Regulations and Rules and, as a result, the recruitment, selection and appointment of the staff are carried out under the provisions of the staff selection system applicable to the staff of the United Nations Secretariat. However, given that all participating organizations contribute to the JIU budget, candidates from these organizations are considered internal for the purpose of recruitment. Under the system introduced by the United Nations in 2002, in the event that a central review body finds that proper process has not been followed, the case would be referred for decision to the Under-Secretary-General for Management for posts at the P-5 or D-1 levels, or to the Assistant Secretary-General for Human Resources Management for other posts. In accordance with the JIU statute, the final decision would be made after consultation with the Unit. Unlike UNJSPF and ICSC, there is no specific requirement that appointments be limited to JIU. However, in practice, this modality is currently being used on a very selective basis.

19. The Executive Secretary of JIU is appointed by the Secretary-General, after consultation with JIU and the Chief Executives Board.



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Human resources management reform

Report of the Secretary-General

Addendum

Contractual arrangements

Summary

As indicated in paragraph 144 of the report of the Secretary-General on human resources reform (A/59/263), the definitive proposals of the Secretary-General on new contractual arrangements are contained in the present addendum.

The detailed proposals are set out in the present addendum, together with the transitional measures that would be required. The differences between the existing and proposed types of appointment are explained in the text itself, and a tabular comparison is provided in annex I. The proposed amendments to the Staff Regulations and to the 100 series of the Staff Rules that would be necessary to implement the proposal are contained in annex II.

The General Assembly is invited to approve the proposals and the proposed amendments to the Staff Regulations and to take note of the proposed amendments to the 100 series of the Staff Rules.

* A/59/150.



I. Goal of the proposed reform of contractual arrangements

1. The goal of the proposed reform of contractual arrangements is to ensure that these arrangements serve better the operational needs of the Organization by ensuring the maintenance and further development of a strong and independent international civil service of the highest quality while recognizing different types of situations (stable, continuing work programmes and projects; sudden major surges in the volume and type of work, especially in peace-building, peacekeeping and humanitarian operations; seasonal fluctuations; and short-term requirements) and introducing greater equity for staff.

II. Background

2. The initial proposal to reform contractual arrangements was presented in the report of the Secretary-General on human resources management reform submitted to the General Assembly at its fifty-fifth session (see A/55/253, para. 47). In paragraph 50 of the same report, the Secretary-General indicated that he wished to review further the issues linked to the terms and types of appointment and to continue the dialogue with the staff before presenting specific recommendations to the General Assembly, and that he welcomed the views of the Assembly, in particular with regard to the issue of permanent appointments.

3. No consensus emerged among Member States when the matter was discussed at the fifty-fifth session of the General Assembly. In section III of its resolution 55/258, the General Assembly requested the Secretary-General to submit definitive proposals, in accordance with the steps outlined in paragraph 50 of his report, on new contractual arrangements, spelling out the differences between existing and proposed types of appointments, for consideration by the General Assembly. The request was reiterated in section II, paragraph 58, of General Assembly resolution 57/305, in which the Assembly further requested the Secretary-General, in the meantime, to continue current contractual arrangements in accordance with existing mandates.¹

4. Considerable progress was made at SMCC-XXVI in 2002 on the subject of continuing appointments. Agreements were reached on the following:

(a) Continuing appointments would be introduced in the Staff Regulations and Rules, and appropriate amendments would be presented to the General Assembly to that effect;

(b) Subject to the needs of service and satisfactory performance, staff who had completed five years of continuous service on a fixed-term appointment would be converted to a continuing appointment;

¹ These include the request to achieve the level of 70 per cent of permanent appointments in posts subject to geographical distribution (General Assembly resolutions 51/226, sect. V, para. 2, and 53/221, sect. V, para. 23); the decision that five years of continuing service on fixed-term appointments do not confer the automatic right to a permanent appointment, and that other considerations, such as outstanding performance, the operational realities of the organizations and the core functions of the post, should be duly taken into account (General Assembly resolution 51/226, sect. V, para. 3); and the encouragement to continue efforts to increase the share of fixed-term appointments throughout the Secretariat (General Assembly resolution 53/221, sect. V, para. 23).

(c) In addition to the current grounds for termination of a permanent appointment set out in the Staff Regulations, continuing appointments could be terminated in the interest of the Organization;

(d) In cases of termination under article IX of the Staff Regulations, a staff member on a continuing appointment would be entitled to a three-month notice period and to a termination indemnity similar to that payable to staff on permanent appointments;

(e) Prior to termination based on abolition of post, reduction of staff or a change in the functions or mandates of the office, the Administration would have to document all efforts made to identify a suitable vacancy for the staff member and to provide training so as to facilitate his or her reassignment. Continuing contracts would be added to staff rule 109.1 (c), which has long regulated the elements to be taken into account when identifying staff who have to be separated as a result of abolition of post or reduction of staff;

(f) Staff holding permanent appointments would not be affected by the introduction of continuing appointments;

(g) A one-time review would be conducted of all fixed-term staff appointed under the 100 series of the Staff Rules who would have been eligible to be considered for conversion to permanent appointment if not for the freeze imposed on such conversion. Management agreed to review all such staff, analyse the results and submit proposals to the next SMCC for consideration;

(h) After approval of the new contractual arrangements by the General Assembly, checks and balances would be developed through staff-management negotiations with regard to the review of documentation in cases of termination of continuing appointments.

5. The New York Staff Union joined in the consensus reached between Management and the staff unions from all the other duty stations, but placed on the record that, in its view, it was imperative to retain the permanent appointment in some form for all staff, while realizing that continuing contracts offered greater financial protection for staff currently on fixed-term appointments. The New York Staff Union also stated that, in its view, all serving staff, regardless of category, who met the criteria for permanent appointment at the time they were hired should be converted to permanent appointment, taking into account relevant General Assembly resolutions, and that the conversion exercise should apply to all 100 series staff — General Service and Professionals.

III. Revised proposal

6. The Secretary-General maintains his basic proposal to simplify existing contractual arrangements through the use of only three types of appointments that would be used for all Secretariat functions, departments, duty stations and field missions:

(a) A short-term appointment, up to a maximum of six months, for staff appointed to meet seasonal or peak workloads and specific short-term requirements;

(b) A fixed-term appointment, which could be renewed or extended to cover a maximum period of five years. During that time, staff members' performance and competencies would be thoroughly assessed;

(c) A continuing appointment which, subject to the needs of service, would be granted to staff members who have served on fixed-term for five years, provided they have demonstrated during that service adherence to the highest standards of efficiency, competence and integrity required by the Charter of the United Nations.

7. The table contained in annex I highlights the differences between the proposed continuing appointment and its current alternatives, namely fixed-term and permanent appointments. Of special importance is that the continuing appointment could be terminated not only for the reasons available for the termination of permanent appointments but also in the interest of the Organization, and that, given that continuing appointments would be granted to staff having previously served for five years on fixed-term appointments, staff on continuing appointments would have preference over staff on fixed-term appointments not because of a privileged status similar to that given to permanent staff but because of superior performance or longer period of service in cases of equally good performance.

8. Annex II contains proposed amendments to the Staff Regulations and to the 100 series of the Staff Rules that would be necessary to implement the proposal. Should the General Assembly endorse the introduction of the continuing appointment, amendments to the 200 and 300 series of the Staff Rules would be prepared subsequently and reported to the General Assembly, as required by article XII of the Staff Regulations.

9. The Secretary-General believes that his proposal would be in the interest of the Organization, which requires a mix of career staff and of staff appointed for shorter periods to meet evolving needs, major surges in the volume and type of work and seasonal fluctuations.

10. The use of only three types of contracts would be easier to understand by all concerned and would improve the equity and transparency of the system. Conversion to continuing appointment of staff having demonstrated during the first five years of their service that they meet the highest standards of efficiency, competence and integrity required by the Charter would eliminate the considerable administrative burden of having to process thousands of renewals of fixed-term appointments when they reach expiration date. Human resources professionals could devote their time and efforts to other important matters, such as the management of mobility, career and staff development, resolution of conflicts in the work place and monitoring the exercise of delegated authority in human resources matters.

11. The replacement of permanent appointments by continuing appointments would allow greater weight to be given to the needs of the Organization when an appointment is terminated. The current rules on the termination of permanent appointments do not recognize a number of legitimate considerations, such as the changing needs, functions and mandates of the United Nations or the reorientation of its programmes, unless they result in the abolition of posts or reduction of staff rather than the redeployment of resources. The continuing appointment could be terminated in the interest of the Organization, which is not a relevant consideration for terminating a permanent appointment unless this is done with the agreement of the staff member. Moreover, the determination whether to separate a staff member

would focus on performance and length of service among equal performers rather than on the contractual status of the staff concerned. The decision to terminate a continuing appointment would of course be subject to a process that would ensure that the decision is justified and fully documented.

12. Finally, the general use of the continuing appointment would greatly assist the Secretary-General in his determination to enhance staff mobility, which is a major goal of his reform of human resources management. Mobility must increase within and across departments, functions and duty stations, as well as to and from missions, regardless of the source of funding. Even though, in theory, staff members appointed under the 100 series of the Staff Rules have the right to be considered for conversion to permanent appointment after five years of continuous good service, regardless of the type of funding, the fact is that, before the 1995 freeze, conversion of fixed-term to permanent appointment was made mostly in respect of staff members who happened to be placed on a regular budget post at the time of the consideration. By contrast, conversion to continuing appointment, while subject to performance and continued need for the service of the staff member, would not be controlled by the source of funding for the staff member's post at the time of conversion. This would remove a serious obstacle to the mobility of staff who would otherwise legitimately resist assuming new functions of uncertain duration or funding, e.g., peacekeeping missions or positions financed through voluntary contributions.

13. Conversion to continuing appointment after five years of service on fixed-term appointments with the Organization, subject to performance and the continued needs of the service, would also be in the interest of the staff at large as it would ensure equal treatment. Staff members who have devoted years of their lives to the service of the Organization and have proved the value of their work, often in a succession of difficult or dangerous situations, should no longer have to worry whether they will remain employed after their current contract expires. The continuing appointment would also permit compensation to be paid to staff members who are separated because of abolition of post, reduction of staff or because their separation is in the interest of the Organization due to change in the functions, mandates or needs of the United Nations.

14. Replacement of the permanent appointment by the proposed continuing appointment would also remove the perception that there is in the Organization a privileged group of staff who are not only free of the anxiety linked to renewal or non-renewal of appointment but also receive preferential treatment by the sole virtue of their permanent status when a choice has to be made among staff members who must be separated in cases of abolition of post or reduction of staff. Under continuing appointments, the comparison would focus on relative merits and length of service rather than on the type of appointment.

IV. Transitional measures

15. The introduction of the reform of contractual mechanisms proposed by the Secretary-General would require transitional measures to ensure the protection of the acquired rights of staff who are in service at the time the amended regulations and rules come into force:

(a) There would be no change to the contractual status of staff who have a permanent appointment;

(b) Staff already serving on a probationary appointment would retain the right to be considered for a permanent appointment at the end of their period of probationary service. No new probationary appointment would be given after the effective date of the amended regulations and rules;

(c) Under existing staff rule 104.12 (b) (iii), staff members appointed under the 100 series of the Staff Rules have the right to be considered for a permanent appointment when they meet the following conditions: (i) they have completed five years of continuous service on fixed-term appointments, (ii) they meet the highest standards of efficiency, competence and integrity, and (iii) they are under the age of 53. The rule specifies that "all the interests of the Organization" must be taken into account. Section V, paragraph 3, of resolution 51/226 clarified that five years of continuing service do not confer the automatic right to a permanent appointment and that other considerations, such as outstanding performance, the operational realities of the organizations and the core functions of the post, should be duly taken into account. As agreed at SMCC-XXVI in 2002 (see para. 4 (g) above), the Secretary-General would ensure that a one-time review of all the staff members appointed under the 100 series of the Staff Rules who meet these conditions when the amended regulations and rules come into force are considered for conversion to permanent. As also agreed at SMCC-XXVI, specific proposals for an orderly consideration process will be submitted to the next SMCC meeting.²

16. The Secretary-General notes that, as a result of the one-time review mentioned above, the proportion of permanent staff in posts subject to geographical distribution may exceed the 70 per cent level set by the General Assembly in section V, paragraph 2, of its resolution 51/226. This, however, would be temporary since the level would decrease quickly as a result of the fact that no permanent appointments would be granted afterwards.

V. Conclusions and recommendations

17. The Secretary-General believes that his proposal to reform contractual arrangements would better serve the needs of the Organization than the current arrangements for the reasons explained above.

18. The General Assembly is invited to approve the proposal and the proposed amendments to the Staff Regulations contained in annex II to the present document, and to take note of the proposed amendments to the 100 series of the Staff Rules also contained in annex II.

² As it was not possible for SMCC to meet in a timely manner, such proposals will be elaborated in the light of the consideration of the matter by the General Assembly and will be the object of consultation with staff.

Annex I

Comparison between existing and proposed types of appointments

<i>Existing types of appointment</i>	<i>Proposed types of appointment</i>
SHORT-TERM APPOINTMENT (300 series)	SHORT-TERM APPOINTMENT
- Used for seasonal or peak workload and specific short-term requirements. - Maximum duration: 6 months.	No change.
FIXED-TERM APPOINTMENT (100 series)	FIXED-TERM APPOINTMENT
- Granted for a fixed period, after which appointment expires automatically. Action is required for each renewal. [Rule 109.7 (a)]. - After five years of continuous service, right to be considered for conversion to permanent appointment provided the staff member meets the highest standards of efficiency, competence and integrity and is under age 53. The actual decision takes into account "all the interests of the Organization". [Rules 104.12 (b) (iii)]. Based on section V, para. 3, of General Assembly resolution 51/226, these interests would include the operational realities and the core functions of the post, making it legitimate to take into account considerations such as the continuing or non-continuing nature of the functions, the need for the continued service of the staff member, the duration of the mandate, as well as financial considerations and a reasonable expectancy of continued funding. - In the absence of conversion, a fixed-term appointment may be renewed. There is no limit on the total duration of service on fixed term. Note: consideration for conversion to permanent appointment after 5 years on fixed-term was suspended by the Secretary-General in 1995. This was reinforced by General Assembly resolution 51/226, which imposed a ceiling of 70 per cent on the number of permanent staff in posts subject to geographical distribution; by General Assembly resolution 53/221, in which the Assembly encouraged the Secretary-General to continue efforts towards increasing the share of fixed-term appointments throughout the	- Granted for a fixed period, after which appointment expires automatically. Action is required for each renewal. - May be renewed up to a maximum duration of five years. - After five years, subject to performance and continued needs of service, the appointment is converted to continuing.

*Existing types of appointment**Proposed types of appointment*

Secretariat; and by General Assembly resolution 57/305, in which the Assembly requested the continuation of current contractual arrangements in accordance with existing mandates pending consideration of the Secretary-General's definitive proposals on contractual arrangements.

Termination of current fixed-term appointment

- The appointment may be terminated before its term for abolition of post, reduction of staff, unsatisfactory service or incapacity for reasons of health, lack of integrity or facts anterior to the appointment which, if they had been known, would have precluded the appointment, or for such other reason as may be specified in the letter of appointment. [Staff regulation 9.1 (b)].
- If the appointment is to be terminated on ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on permanent or probationary appointments would be retained in preference to staff on fixed-term appointments. [Rule 109.1 (c)].
- Notice of termination: 30 days. [Rule 109.3 (b)].
- Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 4.

PROBATIONARY APPOINTMENT (100 series)

- Currently given only to staff members having passed a competitive recruitment examination for posts in the Professional category. [General Assembly resolution 51/226, sect. III B, para. 19].
- The probationary period is normally two years, which may exceptionally be waived, reduced or extended for not more than one year. [Rule 104.12 (a)].
- After completion of the probationary period, staff members have the right to be considered for permanent appointment, which will be granted if they have demonstrated their suitability as international civil servants and have shown that

Termination of proposed fixed-term appointment

- No change.
- No change, except that staff on continuing appointments would be added to the list of staff who would have preference over staff on fixed-term appointments.
- No change.
- No change.
- The probationary appointment would no longer be used. New recruits would receive a fixed-term appointment, as described above, and be considered for a continuing appointment after five years.
- Staff currently holding a probationary appointment would be considered for a permanent appointment at the end of their probationary period, under existing rules.

*Existing types of appointment**Proposed types of appointment*

they meet the high standards of efficiency, competence and integrity established in the Charter. [Rule 104.13].

Termination of probationary appointment

- The appointment may be terminated at any time if, in the Secretary-General's opinion, such action would be in the interest of the United Nations. [Staff regulation 9.1 (c)].
- If the appointment is to be terminated on the ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on probationary appointments would be retained in preference to staff on fixed-term appointments. [Rule 109.1 (c)].
- Notice of termination: 30 days. [Rule 109.3 (b)].
- Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 3.

PERMANENT APPOINTMENT (100 series)

- Granted after a probationary period, normally two years, subject to required standards of performance. [Rule 104.13 (a)].
- As indicated above, before the current freeze, staff having served for five years on a 100 series fixed-term appointment were also considered for conversion to permanent, which was granted provided the staff member met the highest standards of efficiency, competence and integrity and was under age 53, taking into account "all the interests of the Organization". Based on section V, para. 3, of General Assembly resolution 51/226, these interests would include the operational realities and the core functions of the post, making it legitimate to take into account considerations such as the continuing or non-continuing nature of the functions, the need for the continued service of the staff member, the duration of the mandate, as well as financial considerations and a reasonable expectancy of continued funding.

CONTINUING APPOINTMENT

- Granted after 5 years on fixed-term appointment, subject to required standards of performance and needs of service.

<i>Existing types of appointment</i>	<i>Proposed types of appointment</i>
• No administrative action required after conversion to permanent appointment. Termination of permanent appointment • Abolition of posts or reduction of staff, unsatisfactory service, incapacity for reasons of health, lack of integrity or facts anterior to the appointment¹ which, if they had been known, would have precluded the appointment. [Staff regulation 9.1 (a)]. • Termination is in the interest of the good administration of the Organization and in accordance with Charter standards, provided the action is not contested by the staff member. ["Agreed termination" under staff regulation 9.1 (a), last paragraph]. • If the appointment is to be terminated on the ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on permanent appointments would be retained in preference to those on all other types of appointments. [Rule 109.1 (c)]. • Notice of termination: 3 months. [Rule 109.3 (a)]. • Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 2.	• No administrative action required after conversion to continuing appointment. Termination of continuing appointment • In addition to the grounds listed for termination of a permanent appointment under staff regulation 9.1(a), a continuing appointment could be terminated in the interest of the Organization. • Same rule, except that staff on permanent appointments would have preference over staff on continuing appointments, who themselves would have preference over staff on fixed-term appointments. • Notice of termination: 3 months. • Termination indemnity: as for permanent appointments.

Annex II

Proposed amendments to Staff Regulations and Staff Rules

Staff Regulations

Regulation 4.5

- (a) Appointment of Under-Secretaries-General and of Assistant Secretaries-General shall normally be for a period of **up to** five years, subject to prolongation or renewal. Other staff members shall be granted ~~either permanent or temporary~~ appointments of **either unlimited or temporary duration** under such terms and conditions consistent with the present Regulations as the Secretary-General may prescribe.
- (b) The Secretary-General shall prescribe which staff members are eligible **for each type of permanent** appointments. ~~The probationary period for granting or confirming a permanent appointment shall normally not exceed two years, provided that in individual cases the Secretary-General may extend the probationary period for not more than one additional year.~~

Regulation 9.1

- (a) The Secretary-General may terminate the appointment of a staff member who holds a permanent appointment and whose probationary period has been completed if the necessities of service require abolition of the post or reduction of the staff, if the services of the individual concerned prove unsatisfactory or if he or she is, for reasons of health, incapacitated for further service.

The Secretary-General may also, giving the reasons therefor, terminate the appointment of a staff member who holds a permanent appointment:

- (i) If the conduct of the staff member indicates that the staff member does not meet the highest standards of integrity required by Article 101, paragraph 3, of the Charter;
- (ii) If facts anterior to the appointment of the staff member and relevant to his or her suitability come to light that, if they had been known at the time of his or her appointment, should, under the standards established by the Charter, have precluded his or her appointment.

No termination under subparagraphs (i) and (ii) shall take place until the matter has been considered and reported on by a special advisory board appointed for that purpose by the Secretary-General.

Finally, the Secretary-General may terminate the appointment of a staff member who holds a permanent appointment if such action would be in the interest of the good administration of the Organization and in accordance with the standards of the Charter, provided that the action is not contested by the staff member concerned.

- (b) The Secretary-General may terminate the appointment of a staff member with a fixed-term appointment prior to the expiration date for any of the reasons specified in paragraph (a) above, or for such other reason as may be specified in the letter of appointment.

(c) In the case of all other staff members, including staff members serving **on a continuing or** a probationary ~~period for a permanent~~ appointment, the Secretary-General may, at any time, terminate the appointment if, in his or her opinion, such action would be in the interest of the United Nations **and in accordance with the Charter, or for any of the reasons specified in paragraph (a) above.**

Annex III to the Staff Regulations
TERMINATION INDEMNITY

Staff members whose appointments are terminated shall be paid an indemnity in accordance with the following provisions:

(a) Except as provided in paragraphs (b), (c) and (e) below and in regulation 9.3 (b), the termination indemnity shall be paid in accordance with the following schedule:

Months of gross salary, less staff assessment, where
applicable

Completed years of service	Permanent and continuing appointments	Indefinite appointments and probationary appointments (for the duration of the probationary period) ~~Temporary appointments which are not for a fixed term~~	Temporary Appointments for a fixed term exceeding six months
Less than 1	Not applicable	Nil)	One week for each month
1	Not applicable	1)	of uncompleted service
2	3	1)	subject to a minimum of
3	3	2)	six weeks ¹ and a
4	4	3)	maximum of three months ²
5	5	4)	indemnity pay
6	6	5	3
7	7	6	5
8	8	7	7
9	9	9	9
10	9.5	9.5	9.5
11	10	10	10
12	10.5	10.5	10.5
13	11	11	11
14	11.5	11.5	11.5
15 or more	12	12	12

(b) A staff member whose appointment is terminated for reasons of health shall receive an indemnity equal to the indemnity provided under paragraph (a) of the present annex reduced by the amount of any disability benefit that the staff member may receive under the Regulations of the United Nations Joint Staff Pension Fund for the number of months to which the indemnity rate corresponds.

(c) A staff member whose appointment is terminated for unsatisfactory services or who for disciplinary reasons is dismissed for misconduct other than by summary dismissal may be paid, at the discretion of the Secretary-General an indemnity not exceeding one half of the indemnity provided under paragraph (a) of the present annex;

- (d) No indemnity payments shall be made to:
- (i) A staff member who resigns, except where termination notice has been given and the termination date agreed upon;
 - (ii) A staff member who has a **probationary or indefinite temporary** appointment ~~that is not for a fixed term and~~ that is terminated during the first year of service;
 - (iii) A staff member who has a temporary appointment for a fixed term that is completed on the expiration date specified in the letter of appointment;
 - (iv) A staff member who is summarily dismissed;
 - (v) A staff member who abandons his or her post;
 - (vi) A staff member who is retired under the Regulations of the United Nations Joint Staff Pension Fund.
- (e) Staff members specifically engaged for conference and other short-term service or for service with a mission, ~~as consultants~~ or as experts, and staff members who are locally recruited for service in established offices away from Headquarters may be paid termination indemnity if and as provided in their letters of appointment.

Staff Rules

Rule 104.12

Appointments of temporary duration ~~Temporary appointments~~

(a) Probationary appointment

(i) ~~(The probationary appointment may be granted to persons under the age of fifty years who are recruited for career service. The period of probationary service under a probationary appointment granted before [effective date of the amendment] such an appointment shall normally be two years. In exceptional circumstances, it may be reduced or extended for not more than one additional year.~~

At the end of the probationary service, the holder of a probationary appointment shall either be granted a permanent appointment or be separated from service.

The probationary appointment shall have no specific expiration date and shall be governed by the Staff Regulations and Staff Rules applicable to temporary appointments which are not for a fixed term.

(ii) ~~Without prejudice to the provisions of subparagraph (b)(ii) below, The Secretary-General may, in appropriate cases, reduce or waive the required period of probationary service following an equivalent period of continuous service on a fixed-term appointment.~~

[Staff rule 104.12(a) will be deleted when there are no longer any staff members with that contractual status.]

(b) Fixed-term appointment

(i) The fixed-term appointment, having an expiration date specified in the letter of appointment, may be granted for **an initial period of up to two years and may be renewed to cover a maximum period of five years. a period not exceeding five years to persons recruited for service of a prescribed duration, including** Persons temporarily seconded by national Governments or institutions for service with the United Nations **shall be given a fixed-term appointment.**

(ii) The fixed-term appointment does not carry any expectancy of renewal ~~or of conversion to any other type of appointment.~~

(iii) After completing a period of five years of continuous service on fixed-term appointments, a staff member who has shown that he or she meets the high standards of efficiency, competence and integrity established by the Charter shall be considered for continuing appointment, which shall be granted subject to the needs of the Organization for the continuation of the staff member's service.

Notwithstanding subparagraph (ii) above, upon completion of five years of continuous service on fixed-term appointments, a staff member who has fully met the criteria of staff regulation 4.2 and who is under the age of 53 years will be given every reasonable consideration for a permanent appointment taking into account all the interests of the Organization.

(iv) Executive heads of separately administered programmes, funds and subsidiary organs of the United Nations to whom the Secretary-General has delegated appointment and promotion

authority may adjust the minimum and maximum duration of the period that may be served on fixed-term appointment based on the specific needs of the programme, fund or organ concerned.

Rule 104.13

Appointments of unlimited duration ~~Permanent appointments~~

(a) Permanent appointments

(i) The permanent appointment may be granted, in accordance with the needs of the Organization, to staff members who, by their qualifications, performance and conduct, have fully demonstrated their suitability as international civil servants and have shown that they meet the high standards of efficiency, competence and integrity established by the Charter, provided that:

- a. They have completed the period of probationary service required by rule 104.12 (a)(i);
- b. The period of probationary service has been waived in accordance with rule 104.12(a)(ii), or
- c. They have completed five years of continuous service under fixed-term appointments **as of [effective date of the amendment], they are under the age of fifty-three, and conversion of their appointment to permanent is consistent with all the interests of the Organization, taking into account its operational realities, including financial considerations, and the continuing nature of the functions.**

(ii) Recommendations ~~to proposing the grant a~~ of permanent appointments on the ground that a staff member whose probationary period has been either completed or waived under the terms of rule 104.12(a) ~~(b)(iii)~~ has met the requirements of this rule may be made **directly** to the Secretary-General by agreement between the Office of Human Resources Management **or the local Human Resources office** and the department or office concerned. ~~on the joint recommendation of the department or office concerned and the Office of Human Resources Management or the local personnel office and the department or office concerned. Such recommendations shall be reported to the appropriate central review body before submission to the Secretary-General. In the absence of such an agreement, the matter is submitted to a central review body for review under rule 104.14 (i).~~

(iii) Permanent appointments limited to service with one of the programmes, funds or subsidiary organs referred to in rule 104.14 (b) ~~(a)(i)~~ may be granted by its corresponding heads with the assistance of such boards as may be established in accordance with the provisions of ~~the last sentence of rule 104.14 (b) (a)(i).~~

(b) Continuing appointments

(i) A continuing appointment may be granted to staff members who have served for a continuous period of five years on fixed-term appointments and have shown that they meet the high standards of efficiency, competence and integrity established by the Charter, provided their continued service is required to meet the needs of the Organization.

(ii) Recommendations to grant a continuing appointment when a staff member has met the requirements of this rule may be made directly to the Secretary-General by agreement between the Office of Human Resources Management or the local Human Resources office and the department or office concerned. In the absence of such an agreement, the matter is submitted to a central review body for review under rule 104.14 (i).

(iii) As provided in rule 104.12(b)(iv), the duration of the period that may be served on fixed-term appointments may be adjusted by the executive heads of separately administered programmes, funds or subsidiary organs of the United Nations to whom the Secretary-General has delegated appointment and promotion authority.

(c) Indefinite appointment

The indefinite appointment may be granted to:

(i) ~~Persons specifically recruited for mission service who are not granted a fixed term or regular appointment~~

(ii) ~~Persons specifically recruited for service with the Office of the United Nations High Commissioner for Refugees or any other agency or office of the United Nations as may be designated by the Secretary-General.~~

The Indefinite appointments **granted before [effective date of the amendment]** does not carry any expectancy of conversion to any other type of appointment. The indefinite appointment shall have no specific expiration date and, except as provided in staff rule 106.2(b)(ii), shall be governed by the Staff Regulations and Staff Rules applicable to temporary appointments which are not for a fixed term.

Rule 104.14

Central review bodies

....
(i) *Review*

(i) The central review bodies shall review the suitability for permanent appointment of staff members holding a probationary appointment to ensure that they have fully demonstrated their suitability as international civil servants and have shown that they meet the high standards of efficiency, competence and integrity established in the Charter of the United Nations, **in cases where no joint recommendation for conversion has been made to the Secretary-General under rule 104.13 (a)(ii).** The central review bodies may recommend conversion to permanent appointment, extension of the probationary period for one additional year or separation from service.

(ii) The central review bodies shall review recommendations to grant a continuing appointment in cases where **no joint recommendation for conversion has been made to the Secretary-General under rule 104.13 (b)(ii).** The central review bodies may recommend conversion to continuing appointment or separation from service.

(iii) [(ii) renumbered; no change in the text.]

....

Rule 105.2

Special leave

.....
(b) A staff member, other than one recruited specifically for a mission, who has completed one year of satisfactory probationary service or who has a permanent **or continuing** appointment and who is called upon to serve in the armed forces of the State of which the staff member is a national, whether for training or active duty, may be granted special leave without pay for the duration of such military service, in accordance with the terms and conditions set forth in Appendix C to these Rules.
.....

Rule 105.3

Home leave

.....
(c) (i) Except in the case of staff members serving on probationary appointment, a staff member's first home leave shall fall due in the calendar year in which the staff member completes two years of qualifying service. A staff member appointed on a probationary basis shall not be entitled to the first home leave until he or she has been granted a permanent appointment or an extension of probationary period. If the Secretary-General considers that it will not be possible for **a central review body the Appointment and Promotion Board** to review the staff member's case within six months after completion of two years' service, he or she may be granted home leave subject to the other conditions of this rule.

Rule 106.2

Sick leave

.....
(b) A staff member's maximum entitlement to sick leave shall be determined by the nature and duration of his or her appointment in accordance with the following provisions:

.....
(iii) A staff member who holds a permanent, **continuing** or indefinite appointment, a fixed-term appointment for three years or who has completed three years of continuous service shall be granted sick leave of up to nine months on full salary and nine months on half salary in any period of four consecutive years.
.....

Rule 109.1

Special Advisory Board, definition of termination

and criteria for preference in retention abolition of posts and reduction of staff

.....
(c) Criteria for preference in retention ~~Abolition of posts and reduction of staff~~

(i) ~~Except as otherwise provided in subparagraph (ii) b below,~~ If the necessities of service require that the appointment of staff members be terminated as a result of abolition of post or reduction of staff, and subject to the availability of suitable posts in which their services can be effectively utilized, staff members with permanent appointments shall be retained in preference to those on all other types

of appointments, and staff members with probationary **or continuing** appointments shall be retained in preference to those on fixed-term or indefinite appointments provided that due regard shall be had in all cases to relative competence, to integrity and to length of service. Due regard shall also be had to nationality in the case of staff members with no more than five years of service and in the case of staff members who have changed their nationality within the preceding five years when the suitable posts available are subject to the principle of geographical distribution;

(ii) The provisions of subparagraphs (i) above ~~insofar as they relate to locally recruited staff members~~ shall be deemed to have been satisfied **in respect of** ~~if such~~ locally recruited staff members **when they** have received consideration for suitable posts available at their duty station;

(iii) Staff members specifically recruited for service with any programme, fund or subsidiary organ of the United Nations which enjoys a special status in matters of appointment under a resolution of the General Assembly or as a result of an agreement entered by the Secretary-General have no entitlement under this rule for consideration for posts outside the organ for which they were recruited.

Rule 109.2

Resignation

(b) Unless otherwise specified in their letters of appointment, three months' written notice of resignation shall be given by staff members having permanent **or continuing** appointments, and thirty days' written notice of resignation by those having a **probationary, fixed-term or indefinite** appointment. The Secretary-General, however, may accept resignation on shorter notice.

Rule 109.3

Notice of termination

(a) A staff member whose permanent **or continuing** appointment is to be terminated shall be given not less than three months' written notice of such termination. **The notice of termination shall state the specific grounds of termination.**

(b) A staff member whose **probationary, fixed-term or indefinite** appointment is to be terminated shall be given not less than thirty days' written notice of such termination or such written notice as may otherwise be stipulated in his or her letter of appointment.

Appendix C to the Staff Rules

Arrangements relating to military service

(c) Staff members who have completed one year of satisfactory probationary service or who have a permanent **or a continuing** appointment may, if called by a Member Government for military service, whether for training or active duty, be placed on special leave without pay for the duration of their required military service. Other staff members, if called for military service, shall be separated from the Secretariat according to the terms of their appointments.